

**Israel Ministry of Tourism**

**Public Tender No. 17/2012**

**To select a company for classifying hotels in Israel**

**On behalf of the Government of the State of Israel, the Ministry of Tourism hereby invites bidders to submit proposals to provide services for classifying hotels in Israel.**

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**Public Tender No. 17/2012 to select a company for the purpose of classifying hotels in Israel**

1. **Introduction**

On behalf of the Government of Israel you are hereby invited to submit a proposal to the Ministry of Tourism (hereinafter: **Ministry**) for the purpose of providing professional hotel rating services for hotels in Israel (hereinafter: **Project**).

2. **Definitions**

"**Ministry**" – the Israel Ministry of Tourism

"**Tourism Services Regulations**" or "**Regulations**" – Tourism Services (Hotels) Regulations 5773-2012, hereby enclosed as Appendix 3 of the Tender Documents.

"**The required services**" or "**the Services**" – conducting hotel inspections for the purpose of determining their rating and conducting additional inspections as provided in section 4 of the Tender.

"**Criteria**" – the criteria set forth for the purpose of determining hotel ratings, as provided in the First Schedule of the Regulations.

"**Hotel owner**" – a person who owns a hotel or who manages a hotel in accordance with the provisions set forth in the Regulations.

"**Examiner**" – a professional entity that will conduct hotel inspections for the purpose of determining their rating in accordance with the Regulations.

"**The Organization**" – Israel Hotel Association (IHA).

"**Commissioner**" or "**Officer in charge**" – the person appointed by the Minister of Tourism from among the Ministry's employees as the Hotels Commissioner or the Officer in charge, in accordance with the Regulations.

"**Rating**" or "**Classification**" – the process of determining the grade of a hotel in accordance with the Regulations and the provisions of this Tender.

**"Rating inspection"** – an inspection conducted for the purpose of determining initial hotel rating, as provided in the Requested Services section (section 4).

**"Rating renewal inspection"** – conducting a repeated inspection of a hotel upon expiry of the rating period (3 years after the rating was determined), as provided in the Requested Services section.

**"Special inspection"** – conducting a hotel inspection in accordance with the instructions set forth by the Ministry, as provided in the Requested Services section.

**"Inspections"** – Rating inspection, Rating renewal inspection and Special inspection.

**"Internet website"** – the Ministry of Tourism internet website (which will include the Tender specification and additional relevant information) in the following link:  
[www.tourism.gov.il](http://www.tourism.gov.il).

**"Agreement"** or **"Contract"** – agreement for providing the Services in accordance with this Tender, enclosed as Appendix 2 of the Tender.

**"Tender"** – the Tender document, including all its appendixes and all other documents pertaining to this Tender that will be provided by the Ministry.

**"Tender Committee"** – the Ministry of Tourism Tender Committee.

**"The Accountant General"** – the Accountant General in the Israeli Ministry of Finance.

### 3. **Background**

The Ministry of Tourism is interested in raising the level of service provided to tourists visiting Israel, including the level of hotel services. Providing objective and updated information about the hotel levels in the country is important to tourists who look for a hotel to stay during their visit in Israel, as well as to travel agents and other professionals in the tourism sector.

In the past, a mandatory hotel classification system existed and was carried out by the Ministry of Tourism. This rating system was canceled in 1992, and instead an arrangement in which issuance of "registered hotel" certificates was implemented according to provisional regulations whose effect was extended from time to time. In 2001 the Tourism Services (Hotels) Regulations 5761-2001 came into force, and superseded the temporary regulations. This arrangement provided a certain qualitative distinction between registered and unregistered hotels, however this method was still insufficient. In actuality, many entities, both from inside and outside the tourism industry, continued to rate hotels according to a star classification system and even advertised such rating without relying on any official classification system.

The Ministry decided to renew the hotel rating system. The European star classification system known as "Hotelstars" was chosen as the rating system. At present 12 countries use this system and a number of additional countries may join it. The system classifies hotels from one to five stars, with the option to receive additional rating(s) (star(s) +). The system consists of 270 criteria according to which the hotel is classified, including physical properties (room size, lobby area etc.) and details of the quality of service provided in the hotel (opening hours of different services, cleaning, room service etc.).

A committee on behalf of the IHA and other tourism entities examined the criteria and made a number of modifications in order to adjust the criteria to the conditions in Israel – weather, Kashrut laws, Shabbat, security considerations and so on.

The adjusted criteria were delivered to the Hotelstars organization which granted its approval to the Ministry to use them, and to specify that the rating method is an Israeli method based upon the principles laid out by the Hotelstars method.

On 14.8.2012, the Knesset Committee for Economy affairs approved the Tourism Services (Hotels) Regulations 5773-2012, that set the rating procedures.

#### Rating procedures in accordance with the Regulations

Hotel rating shall be voluntary and hotels are entitled to decide whether they wish to join the rating system or remain unrated. A hotel asking to be rated may join the rating process irrespective of its membership in IHA (the Organization).

For the purpose of implementing the arrangement, an advisory board shall be set up on the subject of the Regulations, and shall give advice to the Ministry on different subjects related to the Regulations, including the modifications required in the rating criteria.

A hotel interested to be rated shall submit an application to the Hotel Commissioner in the Ministry. The application shall be forwarded to an "Examiner" – a professional company with experience in rating hotels according to the Hotelstars method, and selected by the Ministry by way of tender. The company shall inspect the hotel in accordance with the criteria and shall deliver the inspection results to the Commissioner, and the Commissioner shall determine the hotel rating based upon the inspection results.

A condition for rating is holding a business license granted to the hotel by the local council. The Commissioner shall issue a certificate to the hotel specifying the rating that was determined for that hotel.

A hotel rating shall remain in force for 3 years. At the end of that period, a hotel that wishes to extend its term of rating shall submit an application for renewing its rating. A repeated inspection shall be conducted to that hotel by the Examiner and its new rating shall be determined accordingly.

A hotel may appeal the rating it received or appeal another decision made by the Commissioner concerning it within 45 days from the day in which it received the Commissioner's notice. The appeal shall be reviewed by an Appeal Committee comprising of 3 members. In the event that the appeal committee decides to change the

hotel rating, the Commissioner shall determine the rating in accordance with the committee's decision.

A hotel that is interested to change its rating during the rating term (due to renovations in the hotel that improved its level or for another reason) may submit an application to change its rating.

A temporary rating may be designated to a hotel if the hotel holds a provisional business license and in the event that a hotel failed to submit an application for renewal of rating on time.

A hotel that is interested to discontinue its rating during the rating term may do so only upon obtaining the Commissioner's approval. The hotel shall submit a reasoned application to the Commissioner and the Commissioner shall consider the application.

The Commissioner may issue a warning to a hotel owner, cancel or suspend a hotel rating if it is found, according to the Examiner's findings, that the hotel level does not comply with the rating that was designated for that hotel, or there are defects that may jeopardize the health or the safety of a hotel guest, according to a decision made by a competent authority by law. A hotel may appeal this decision first before the Appeal Committee and then before the Minister of Tourism, according to the manner prescribed in the Tourism Services Law 5736-1976 (by virtue of which the Regulations were promulgated).

Hotel ratings and the criteria will be published in the Ministry's internet website in Hebrew, English and Arabic. In addition, the internet website will publish the names of hotels that submitted an application to determine their rating, hotels whose rating was canceled etc.

In order to enforce the rating and put an end to a situation in which different entities rate hotels according to their own wishes, the Regulations prescribe that a star rating of a hotel in Israel cannot be advertised in a public commercial for the purpose of marketing or selling a service of that hotel, unless it is the rating that was determined to that hotel in accordance with the Regulations.

The initial costs of the hotel inspection and the repeated inspection conducted every three years will be incurred by the Ministry of Tourism, however a hotel that asks to change its rating or submits an appeal that requires a repeated inspection – shall partly incur the costs involved in the inspection by way of payment of fees as set forth in the future.

Following the approval of the Regulations, the Ministry hereby publishes a Tender for selecting a rating company, which will conduct hotel rating inspections in Israel.

The principles laid out in this Tender and the Agreement signed with the winning bidder are based upon the Regulations.

#### Information about hotels in Israel

The number of hotels and the number of hotel rooms according to geographical distribution are specified in Appendix 4 of the Tender Documents.

#### 4. **Requested services**

4.1. The Examiner will rate the hotels in Israel based upon the arrangement set forth in the Regulations and the rating classification criteria – the criteria for hotel classification based upon the Hotelstars method as adjusted to Israel, as provided in the First Schedule of the Regulations.

4.2. The said rating shall be voluntary and shall be performed at the hotels' request. Therefore, it is unknown how many hotels will join this rating system out of the total number of hotels in Israel. According to estimates, at least half of the hotels will eventually join this rating system. However, it is important to note that the Ministry does not warrant that this will be the number, except for what mentioned in section 8.3 concerning the Ministry's undertaking to pay for inspection of 100 hotels at the end of the first year, even if in actuality less inspections are conducted.

4.3. The services provided to the Ministry shall include:

4.3.1. **Formulating a hotel owner questionnaire** for hotel owners who wish to receive rating, based upon the criteria and that will include, *inter alia*, a statement from the hotel owner about the physical properties of the hotel including the type of hotel rooms, the services provided by the hotel, and a statement he will grant rooms for inspection according to the Examiner's requirements.

**4.3.2. Rating inspection**

- A hotel asking to be rated, will complete the Hotel Owner's Questionnaire and send it to the Ministry with an application to be rated.
- The Ministry will approve receipt of the application.
- The application will be forwarded to the Examiner.
- The Examiner will conduct the rating inspection within **60 days** following receipt of the application from the Ministry, and will submit a document determining the hotel's rating to the Ministry.

During the first year, the Ministry will regulate the number of applications in order to avoid an overload on the Examiner. In addition, the Ministry will try to arrange the applications according to regions.

In any event, the Examiner will not be requested to perform rating inspections for more than 25 hotels during each 60 days period, unless the Examiner agrees and declares that he is capable of doing so.

- The Examiner will submit a final report to the Ministry specifying the findings of the inspection and documentation thereof, including all the raw materials used for the inspection at each hotel in hard copy, and a scanned file according to a format agreed with the Ministry.

#### 4.3.3. Rating renewal inspection

- Toward the end of 3 years after the date of determining the hotel rating, a hotel asking to renew its rating will submit to the Ministry a rating renewal application. The application will be submitted no later than three months before the rating period expires.
- The Ministry will deliver the application to the Examiner.
- The Examiner will perform the rating renewal inspection within **45 days** following receipt of the application from the Ministry, and will deliver to the Ministry a document determining the hotel rating.
- The Examiner will furnish a final report to the Ministry specifying the inspection findings and documentation thereof, including all the raw materials used for the inspection at each hotel in hard copy and a scanned file in a format agreed with the Ministry.

#### 4.3.4. Special inspection

- A special inspection shall be held upon the occurrence of the following:
  - A. Following submission of an appeal by a hotel owner, as provided in article 11 of the Regulations, if the Appeals Committee determined that a special inspection is required.
  - B. Following a request of a hotel owner to change rating, as provided in article 14 of the Regulations, if the request was approved by the Commissioner.
  - C. Following a special request by the Ministry.
- The Examiner will conduct the special inspection within **45 days** following receipt of the request by the Ministry, and will deliver to the Ministry a report specifying his conclusions.
- The Examiner will furnish the Ministry a final report specifying the inspection findings and documentation thereof, including all

the raw materials used for the inspection at each hotel in hard copy and a scanned file in a format agreed with the Ministry.

- 4.3.5. Routine work with the Ministry for the purpose of conducting the inspections, holding work meetings in the Ministry and different locations throughout the country as required, discussing and improving work methods and so on.
- 4.3.6. Setting update and reporting procedures to the Ministry, submitting current work reports and special reports as required.
- 4.3.7. Training professional and skilled workforce for the purpose of conducting the inspections, including integration of the Criteria and rating principles, manner of conducting inspections, documentation methods, and all other parameters related to the implementation of the Project.
- 4.3.8. Overt and covert supervision and control over the work teams who perform the hotel inspections and delivering reports to the Ministry about their operations.
- 4.3.9. Any other inspection, action, or service required for the purpose of providing the Ministry the required Services in the highest level.
- 4.4. The work with the Ministry shall be conducted in Hebrew or English.

## 5. **Project team – Relevant education and professional experience**

The bidder shall specify in his proposal the functionaries who shall be responsible for the planning and implementation of the Project on his behalf, including the Project Manager, the Examiner's on-site representative and inspection teams.

- The **Project Manager** shall be the bidder's employee responsible for the hotel rating Project in Israel. The Project Manager shall be responsible towards the Ministry for providing all the Services required in this Tender.

- The **Examiner's on-site representative** shall be the bidder's employee who shall be responsible on the bidder's behalf for implementation of the Project in Israel and shall be directly subordinated to the Project Manager.
- The **Inspection Teams** shall conduct the actual hotel rating inspections, as provided in section 4 hereinabove. The Examiner shall be responsible for conducting the rating inspection, including training of the inspection teams and supervision thereof.

The bidder shall enclose to his proposal details about the education and experience of the key personnel in the team proposed by the bidder in accordance with the information specified hereinabove, and with regard to additional employees, as he sees fit. Details will include, *inter alia*, employee names, education, general professional experience, relevant experience with respect to the required Services while specifying the past employer's names, the position, and any other relevant detail. Details will be displayed according to the format specified in the table in Appendix 6.

## 6. **Threshold conditions for participation in the Tender**

### 6.1. The bidder

The bidder is required to prove that he gained successful experience in the planning and execution of at least one rating project according to the Hotelstars rating system, including at least 100 hotels. For the purpose of proving compliance with this condition, the bidder shall enclose full details about the project he implemented, and the methodology used for the purpose of executing the project, as provided in Appendix 5 of this Tender.

### 6.2. Project Manager

The proposed Project Manager must satisfy the following requirements:

- Experience in hotel rating according to the Hotelstars method in at least one project including at least 100 hotels.
- Professional experience of at least 3 years in managing positions relevant to the Services required in this Tender.

- Fluent English (speaking and writing).

6.3. The Examiner's on-site representative

The proposed Examiner's on-site representative must satisfy the following requirements:

- Experience in managing workers of at least 5 years.
- Fluent English (speaking and writing).

6.4. In the event the bidder is an Israeli entity, it is required to enclose to its proposal a certificate from an accountant or a tax advisor, attesting that the bidder keeps books of account and records by law in accordance with the provisions set forth in the Public Bodies (Enforcement of Bookkeeping and Payment of Tax Debts) Law 5736-1976; valid certificates should be issued from the Tax Authority internet website.

7. Term of engagement

7.1. The term of engagement for the provision of the Services is **4 years** following signing of the Agreement by the authorized signatories on behalf of the Ministry of Tourism (hereinafter: **First Term of Engagement**).

7.2. The Ministry shall reserve the exclusive right to extend the engagement **for two additional terms of 3 years each**, under the same terms set forth in this Tender, except for the engagement extension section. Realization of the option is conditional upon maintaining suitable budget by the Ministry and the approval of the Ministry's Tender Committee, following delivery of a prior, written notice by the Ministry to the rating company at least 30 days before termination of the Agreement or extension period, respectively (the additional period or additional periods shall be referred to hereinafter: **Additional Term of Engagement**).

7.3. Without derogating from the terms set forth in this Tender, the Ministry may terminate the engagement during the term of engagement following delivery of a 60 days prior notice for any reason and at its sole discretion and without having to give explanations for its decision. In such circumstances the

Ministry shall pay the Examiner the payment due to the Examiner for his work until termination of the engagement, however without making any additional payment or paying any compensation, and the Examiner shall not be entitled to demand any additional payment including damages or restitution.

8. **Payment for provision of the services**

- 8.1. In return for provision of the Services in accordance with the provisions set forth in this Tender, the Ministry shall pay the Examiner according to the number of hotel inspections that were conducted – a "Rating inspection" as provided in section 4.3.2 hereinabove, a "Rating renewal inspection" as provided in section 4.3.3 hereinabove, and a "Special inspection" as provided in section 4.3.4 hereinabove – (hereinafter: **Inspections**), the following prices:
- 8.1.1. In return for a "Rating inspection" for each hotel up to the first 100 hotels – **X**.
- 8.1.2. In return for a "Rating inspection" for each hotel for the next 101 to 200 hotels – **0.9 X**.
- 8.1.3. In return for a "Rating inspection" for each hotel from the 201<sup>st</sup> hotel and above – **0.85 X**.
- 8.1.4. In return for a "Rating renewal inspection" – **0.75 X**.
- 8.1.5. In return for a "Special inspection" – **0.4 X**.
- 8.2. The bid shall quote the prices in NIS, excluding VAT (VAT, if applicable, shall be added to the bill upon its submission).
- 8.3. It is hereby clarified that if, at the end of the first year, less than 100 hotels are registered for Rating inspection, the Ministry undertakes to pay the Examiner the remaining amount in respect of a Rating inspection for the first 100 hotels (100 X), even if in actuality less than 100 hotels were rated. This payment shall be offset from the payments due to the Examiner for additional Inspections he shall conduct in the following years.
- 8.4. The prices specified hereinabove shall include all the bidder's costs and expenses for the purpose of providing all the Services required in the framework of this Tender.

8.5. The terms of payment and its Linkage shall be in accordance with the provisions set forth in the Agreement.

9. **Starting date of provision of the Services by the winning bidder**

The winning bidder shall commence working on the date the Agreement for provision of Services in accordance with this Tender is signed by the Ministry of Tourism, or on a later date in accordance with the provisions set forth in the Agreement.

10. **Detailed description of the proposed methodology for providing the services**

The bidder is required to specify the proposed methodology for rating the hotels in Israel. The proposed methodology shall include, *inter alia*, reference to the following:

- 10.1. Manners of training the required workforce for the purpose of implementing the Project.
- 10.2. Preparing hotel owner questionnaire that will be based upon the Criteria and will include the hotel owner's statement concerning the physical properties of the hotel including room types and services provided in the hotel.
- 10.3. Work procedures for the purpose of conducting Inspections, including schedules, as specified hereunder:
  - 10.3.1. A procedure for conducting a Rating inspection.
  - 10.3.2. A procedure for conducting a Rating renewal inspection.
  - 10.3.3. A procedure for conducting a Special inspection,
  - 10.3.4. A procedure for delivering the rating results of an inspected hotel to the Ministry.
- 10.4. Detailed description of the Inspections procedure:
  - 10.4.1. Rating inspection.
  - 10.4.2. Rating renewal inspection.
  - 10.4.3. Special inspection.

In the description provided concerning the implementation of the Inspections the bidder shall address, *inter alia*, the number of inspected rooms in relation to the hotel size, the manner of inspecting public areas, manner of inspecting the quality of service provided in the hotel, mystery guesting, considerations involved in forming the inspection team, method and procedures of work of the inspection team, manner of documenting the inspection and any other relevant detail.

- 10.5. Details about the proposed inspection teams.
- 10.6. Supervision methods and control management of the on-site hotels inspection teams.
- 10.7. Work procedures with the Ministry, including a report list and report procedure, periodic meetings with representatives of the Ministry for updates, schedules etc.

In addition, the methodology used by the Examiner in the rating project which he conducted in the past in accordance with the Hotelstars system should be provided

It is hereby emphasized that the methodology constitutes a major component in the scoring awarded to the bidder.

## 11. **Required information and documents**

The bidder shall present information and documentation as specified hereunder, and specify to which section in the Tender the enclosed documentation refers. The Tender Committee shall score the submitted proposal after examining the information and documentation enclosed to each proposal.

- 11.1. The bidder shall enclose all required documentation as provided in section 6 hereinabove in order to prove compliance with the Tender threshold requirements.
- 11.2. The bidder is required to present a detailed description of the proposed methodology for providing the Services as required in section 10 hereinabove.

- 11.3. The bidder is requested to enclose résumés of the members of the bidder's team, as provided in section 5 hereinabove.
- 11.4. Information about the bidder
- 11.4.1. A brief description of the bidder, including, organizational structure, shareholders, instruments of incorporation and turnover in each of the years 2009-2011. The documents should be signed by a notary with a "conformed copy" stamp. If the documents are not in English, they should be translated to English.
- 11.4.2. Description of the bidder, scope of work and relevant rating experience.
- 11.4.3. Detailed description of the bidder's experience in the execution of similar rating projects.
- 11.4.4. Information and details in respect of the bidder's clients, including written recommendations from clients to which the bidder provided similar services, names, positions, and contact details.
- 11.4.5. Any relevant information concerning a possible conflict of interests and the manner in which the bidder intends to overcome it, as required in section 14 hereunder.
- 11.5. If the bidder chooses to engage with another entity(s) for the purpose of conducting the Inspections – details and information about that entity should be provided including:
- Brief information about the additional entity, description of its activities and experience in tourism projects and quality assurance projects, management experience and experience in working with an international corporation, while referring in detail to the Services and the requirements of the Tender, and any information that could be relevant concerning conflict of interests.
- 11.6. Price bid
- The price bid shall be submitted in accordance with Appendix 7.

**The price bid must be submitted in a separate and sealed envelope. It is hereby emphasized that the bid must not be enclosed to any part of the bidder's proposal other than the sealed envelope, as specified in section 18. Failure to meet this condition shall result in automatic disqualification of the proposal.**

11.7. Confidential sections

A statement concerning confidential sections whose content may not be disclosed to others, as provided in section 19 hereunder.

11.8. Additional documents

Any other document required in accordance with this Tender shall be enclosed to the proposal. When possible, the bidder shall specify to which of the Tender sections the documents refer.

12. **Examining the proposals and evaluation**

The selection of the winning bidder of the Tender shall be in four stages, as follows:

12.1. **Stage 1 – satisfying threshold conditions**

A proposal that is received on time shall be examined whether it complies with threshold conditions set forth in the Tender, in accordance with section 6 hereinabove. Only bidders whose proposals satisfy all threshold conditions will pass to the second stage of the Tender.

12.2. **Stage 2 – examination of the quality of the written proposal (55%)**

At this stage only proposals that satisfied all threshold conditions will be examined and scored in accordance with the examination criteria as specified hereunder. Score shall be awarded according to the quality of the bidder and the proposed methodology for conducting the Inspections and other provisions set forth in the Tender. The maximum score possible in this stage is 55 points.

12.2.1. Quality of bidder and proposed team – 21 points

<b>Quality of bidder and proposed team</b>	<b>Maximum score: 21</b>
<b>The bidder:</b>	<b>Maximum score: 7</b>
Bidder's experience in rating hotels according to Hotelstars classification system (score shall be awarded according to the number of hotels rated compared to the other bidders and/or additional projects that were implemented according to Hotelstars system)	3
The bidder's experience in rating hotels according to other classification methods	1
Other experience in hoteliery/tourism/quality assurance	1
Committee's impression of the company's financial strength	1
Quality of recommendations	1
<b>Project Manager:</b>	<b>Maximum score: 6</b>
The Project Manager's experience in rating hotels according to Hotelstars classification method (score shall be awarded according to the number of hotels rated by the Project Manager and the extent of his involvement in the rating).	3
The Project Manager's experience in rating hotels according to other classification methods.	1
Management experience	1
Other hoteliery/tourism experience	1
<b>Examiner's on-site representative:</b>	<b>Maximum score: 5</b>
The experience of the Examiner's on-site representative in rating hotels according to Hotelstars classification method or another method.	1
Other hoteliery/tourism experience	1
Experience in managing worker teams	2
quality assurance experience	1
<b>Characterization of the proposed Inspection teams</b>	<b>Maximum score: 3</b>

12.2.2. Methodology – 34 points

<b>Proposed methodology</b>	<b>Maximum score: 34</b>
<b>Preparations</b> before conducting the rating Inspection with emphasis on training of inspection teams that will conduct the inspections	2
Formulating hotel <b>owner's questionnaire</b>	1
<b>Rating procedure</b> – score shall be awarded to all aspects of the on-site Inspections including, <i>inter alia</i> – inspection procedures, schedules, number of inspected rooms in relation to the hotel size, manner of inspecting public areas, manner of inspecting the quality of service provided in the hotel, mystery guesting, composition of the inspection team, work method, manner of documenting the inspection, and any other relevant detail.	20
Components and content of the <b>final report</b> after completion of the inspection, with emphasis on the manner of documenting the inspections.	2
<b>Supervision</b> and control methods over the work teams conducting the inspections.	3
Involvement, availability and presence of the <b>Project Manager</b> in Israel.	2
<b>Work procedure</b> with the Ministry of Tourism including reporting, periodic updates, debriefings, schedules etc.	1
<b>General impression</b> with the proposal – the bidder's understanding of the Project and his ability to execute the Project to the Ministry's satisfaction.	3

12.2.3. The four bidders whose proposals are awarded the higher scores, provided they were awarded a score of at least 33 points out of the possible 55 points (60%), will be invited for an interview with the Ministry's staff.

12.3. **Stage 3 – interview with bidders (10%)**

12.3.1. The four highest ranked bidders in stage 2, whose proposals were awarded a score of at least 33 points, will be invited for an interview with the Ministry's staff.

12.3.2. The interview will be held in Israel, or in a European state, at the Ministry's discretion. There is a possibility that the interview will be held by way of video conference. The relevant bidders will receive a notice from the Ministry concerning the manner of holding the interview, and place and time thereof. In the event the interview is held in Israel, the Ministry will finance the arrival of 1-2 representative(s) on behalf of the bidder to Israel (flight and accommodation expenses) as determined by the Ministry.

12.3.3. The proposed Project Manager must be present in the interview, present the proposal on the bidder's behalf and reply to questions asked by the Ministry's staff.

12.3.4. Bidders shall be requested to make a brief presentation of their company and the proposed Project team, and the proposed methodology for rating hotels in Israel and provision of all required Services in accordance with this Tender. In addition, bidders will be requested to describe a previous hotel rating project which they executed according to Hotelstars classification system. Score shall be awarded based upon presentation of all the matters specified hereinabove. Knowledge of Hotelstars classification method, basic understanding of the tourism and hoteliery sectors in Israel, and general impression with the bidder and his team will also be taken into account. The maximum points available in this stage – 10 points.

<b>Interview</b>	<b>Maximum score: 10</b>

12.4. **Stage 4 – Examining the price bids (35%) and awarding a final score**

12.4.1. At this stage the price bids will be opened and ranked according to the calculation specified hereunder. The maximum number of points available at this stage – 35 points.

12.4.2. The lowest bid for X (Rating inspection for each hotel up to the first 100 hotels, as provided in section 8.1.1 hereinabove), shall be awarded the maximum score of 35 points. Other bids shall be awarded a score relative to the lowest bid, according to the price set forth in the lowest bid, divided by the price of the examined bid multiplied by 35, as follows:

$$\frac{\text{The lowest bid}}{\text{The examined bid}} \times 35 = \text{price score}$$

12.4.3. The final score of each bid shall be calculated as the total amount of the score of the written proposal, the interview and the price. The winning bid will be the bid that was awarded the highest score.

13. **Performance bond**

13.1. The winning bidder shall provide the Ministry a Performance bond in the amount of €25,000 no later than 14 days following the date the Agreement comes into force.

13.2. The terms and conditions of the Performance bond shall be in accordance with the provisions set forth in the Agreement.

14. **Conflict of interests and confidentiality**

14.1. The bidder and any other entity engaged in the provision of the Services in accordance to this Tender - if the bidder chooses to engage with such entity, shall disclose any information that may be relevant and point to any conflict of interests, as provided in Appendix F of the Agreement. In the event of a

possible conflict of interests, the bidder and the additional entity shall specify how they intend to overcome the conflict of interests. The winning bidder shall sign the statement enclosed in Appendix F of the Agreement.

14.2. The winning bidder shall sign a confidentiality undertaking in the form enclosed as Appendix G of the Agreement.

15. **Additional undertakings**

15.1. The Services shall be provided by the team proposed by the bidder in the Tender, unless the Ministry granted its prior and written approval to make changes in the team.

15.2. If the Examiner receives assistance or hires the services of another entity for providing the Services, the Examiner shall remain responsible for the project and shall be held fully liable towards the Ministry for the provision of the Services. The Examiner shall incorporate in his Agreement with the other entity the detailed undertakings enclosed to this Tender concerning non-disclosure, lack of conflict of interests, intellectual property rights of the Ministry and all other undertakings as provided in the Tender and the Agreement.

15.3. The bidder undertakes to abide by all the labor laws of the State of Israel during the entire term of the Agreement.

15.4. The bidder shall be available to provide the Services as of the date the Agreement is signed.

16. **Effect of proposals**

The bidder's proposal shall remain in effect for 180 days following the last date of submission of the proposals, as provided in section 18.1 hereunder. The Ministry shall be entitled to request bidders to extend the effect of their proposal for an additional period.

17. **Publication of the Tender, submission of questions and queries**

- 17.1. The Tender, including all Appendices and modifications thereof and all notices issued by the Ministry in connection therewith will be published in the Ministry's internet website, in the following link: [www.tourism.gov.il](http://www.tourism.gov.il). Bidders are requested to stay informed from time to time about publications and updates concerning the Tender in the website.
- 17.2. Questions and queries in connection with the Tender shall be submitted in English by email only to the Ministry's representative, Mrs. Rakefet Levy (hereinafter: Contact Person or Representative) to the email: [rakefetl@tourism.gov.il](mailto:rakefetl@tourism.gov.il).
- 17.3. The query shall include the details of the person making the query, including telephone number, fax number and email address for the purpose of queries. Bidders are responsible to ensure that their queries were received by the Contact Person. Queries submitted in a manner other than the manner specified hereinabove shall not be handled.
- 17.4. Questions and queries as specified hereinabove shall be delivered to the Ministry no later than **26/12/2012 at 17:00** (Israel time).
- 17.5. Replies to queries and questions shall be published collectively in the Ministry's internet website until **10/1/2013** and shall be delivered by email to bidders who contacted the Ministry and provided their details as specified hereinabove. The identity of the person making the query will not be published.
- 17.6. The Ministry reserves the right not to reply to questions and queries, at its discretion.
- 17.7. The Tender Committee reserves the right to amend and modify the Tender Documents until the last date of submission of proposals (hereinafter: **Amendments**). The said Amendments, to the extent that there are any, will be published as an Appendix of the Tender in the Tender internet website and will be delivered via email to bidders who contacted the Ministry as specified

hereinabove. If necessary, the Ministry will extend at its discretion the last date of submission of proposals.

18. **Manner of submitting proposals**

- 18.1. Proposals shall be submitted in an original copy + one copy until **7/2/2013 at 14:00** (Israel time) at the latest. Proposals submitted after that time will not be examined.
- 18.2. Proposals shall be submitted to the Israel Ministry of Tourism, 5 Bank of Israel St., Jerusalem, Israel. Proposals shall be inserted to the Ministry's Tender Box, "Generi Building", floor 5, next to room no. 5583.
- 18.3. Arrival to the Ministry should be coordinated in advance with Mrs. Rakefet Levy, the Ministry's Representative, in telephone number 02-6664361 or 050-6214042.
- 18.4. Each proposal submitted shall include four envelopes: one sealed envelope that will include the original proposal documents on which the word "original" shall be written; one sealed envelope that will include a copy of the original Tender Documents on which the word "copy" shall be written; one sealed envelope that will include the original price bid on which the words "original price bid" shall be written; and one sealed envelope that will include a copy of original price bid on which the words "copy of original price bid" shall be written. The four said envelopes shall be inserted into another sealed envelope or a sealed box that shall be marked "Public Tender No. 14/2012 to select a company for classifying hotels in Israel." In the event of lack of conformity between the original documents and the copies, the original documents shall prevail.
- 18.5. All required documentation shall be enclosed to the proposal as provided in section 11 hereinabove, as well as all remaining required documentation in accordance with this Tender.

19. **Confidential sections in the proposal**

A bidder who did not win the Tender is entitled to review the winning proposal. A bidder may specify which parts in his proposal are considered as trade secret or professional secret which shall not be disclosed to other bidders in the Tender, if he had won. A bidder who shall not specify these sections shall be deemed to have agreed to disclose his entire proposal. However, it is hereby clarified that the decision whether to disclose the said information and the statement that a certain part of the proposal is confidential shall be at the sole discretion of the Ministry's Tender Committee. In addition, it should be taken into account that any matter which the bidder specified as confidential in its proposal shall also be confidential to the bidder in other proposals. Confidentiality shall not apply to prices specified in the bid, which shall be open for the review of all bidders.

20. **Engagement with a bidder who received lower score**

After signing the Agreement with the winning bidder, in the event the engagement is canceled for whatever reason, or in the event that no Agreement is signed with the winning bidder and his winning and/or engagement is canceled for whatever reason, the Ministry shall be entitled to approach the second-ranked bidder and engage with him as if he were the winning bidder, according to the terms set forth in his proposal. Where the second-ranked bidder refuses to this arrangement, the Ministry shall be entitled to approach the next ranked bidder and so on, until a new Agreement is signed. The Ministry is vested with exclusive powers and discretion concerning this matter and it shall exercise them at its sole discretion.

21. **Ministry's rights**

It is hereby clarified that the Ministry reserves the right, at its sole discretion, and without being held liable, responsible or obligated towards any entity:

- 21.1. To cancel this Tender or publish another tender instead of this Tender. In such event the Ministry shall publish a relevant notice in the Internet website and deliver the said notice to all bidders who provided their contact details.
- 21.2. Not to select any of the bids submitted, including the bids that received the highest score, and not to engage with any entity following the Tender.
- 21.3. To add, omit, and modify details in the Tender or the Agreement.
- 21.4. To conduct negotiations with bidders in the Tender.
- 21.5. To extend last date for submission of bids, and approve submission of a bid after the last date prescribed, under special circumstances and for reasons that shall be noted.
- 21.6. To request from the bidder or from all bidders to submit additional information and clarifications with regard to the information that was submitted in their proposal or additional documentation.
- 21.7. To expand or reduce the scope of the Services required in this Tender.
- 21.8. To split the performance of the Tender among a number of bidders.
- 21.9. To disqualify proposals that, to the Ministry's opinion, cannot be implemented or that are unreasonable with regard to the Tender particulars and the actual circumstances or that the price requested thereof is unreasonable, and proposals in respect of which it is suspected that they are manipulative.
- 21.10. To disqualify proposals that lack sufficient information about material requirements of the Tender and cannot be evaluated.
- 21.11. To disqualify bids that change the terms set forth in the Tender.

22. **The bidder's undertakings**

- 22.1. **Acceptance to the Tender terms and conditions** – by submitting his proposal the bidder acknowledges his approval to all the terms set forth in the Tender Documents, and that his bid is submitted in accordance with the terms

set forth thereat. For that end the bidder is required to enclose to his bid an affidavit in accordance with Appendix 9 of the Tender.

- 22.2. **Signing the Tender Documents** – the bidder shall sign with its initials each page of the proposal, including the Tender Documents, Appendices, amendments, if any, and the enclosed Agreement. The said documents shall be signed by the bidder's authorized signatories. Wherever necessary, the bidder shall sign with full signature by the bidder's authorized signatories.
- 22.3. If the bidder is a corporation, the bidder's certificate of incorporation shall be enclosed. In addition, an instrument appointing authorized signatories shall be enclosed in the form enclosed as Appendix 8 of the Tender.
- 22.4. The winning bidder shall be responsible to obtain all required permits and/or licenses for the purpose of providing the Services, in accordance with all relevant laws and regulations.

23. **Budget**

Performance of the engagement in accordance with this Tender is conditional upon available budget on the part of the Ministry. The Project shall be implemented according to the budget approved by the competent authorities.

It is hereby clarified that in the event the Tender is canceled due to lack of budget, or for any other reason, the Ministry shall not be obligated to make any payment to the bidders as a result thereof.

24. **Jurisdiction**

This Tender shall be governed by Israeli law. The competent courts in Jerusalem shall be vested with exclusive jurisdiction in anything related to this Tender.

## **Appendix 1 of the Tender**

### **Proposal Submission Form**

To  
Ministry of Tourism  
5 Bank of Israel St.  
Jerusalem

### **Re: Tender to select a company for classifying hotels** **in Israel**

I, the undersigned, hereby offer my services for performing the work referenced hereinabove, in accordance with the terms set forth in the Tender Documents.

1. I confirm to have read all the requirements and terms set forth in the Tender Documents including Appendices thereof and I hereby undertake to uphold all the conditions and requirements set forth by the Tender and all the works and services I propose in the framework of my proposal to the Tender to your full satisfaction.
2. I declare that I am not in a conflict of interests between the provision of the services required in this Tender and any other work with other entities.
3. The following pages/sections in my proposal may contain a trade or professional secret. Except for costs and sections pertaining to proof of compliance to threshold requirements, you are precluded from disclosing these pages/sections to bidders who did not win the Tender. The following are the reasons for keeping the sections/pages confidential:

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4. In any event, I am aware that a decision concerning disclosure or confidentiality of certain sections in the proposal is at the discretion of the Ministry's Tender Committee and it may disclose sections noted hereinabove as confidential at its discretion.

Date	Full name of the signatory in the bidder's name	Bidder signature and stamp

## Appendix 2 of the Tender

### Agreement

Drawn up and signed in Jerusalem on the \_\_\_\_\_ day of the month of \_\_\_\_\_ 2013

Between

The Government of Israel in the name of the State of Israel by the Ministry of Tourism, represented by the Director General and the Accountant of the Ministry of Tourism being its authorized signatories.

(Hereinafter: the **Ministry**)

Of the first part;

And between:

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

(Hereinafter: the **Examiner**)

Of the second part;

**Whereas:** The Ministry is interested to receive professional services for classifying hotels in Israel according to the "Hotelstars" classification system as adapted to the Israeli market, for the purpose of improving the level of hotel services in Israel;

**And whereas:** On 14.8.2012 the Knesset Committee for Economy affairs approved the Tourism Services (Hotels) Regulations 5773-2012 that set forth the

hotel rating system and procedures thereof;

**And whereas:** The Ministry published public tender no 17/2012 for selecting an Examiner to classify hotels in Israel according to the said method (hereinafter: the **Tender**) and the Examiner submitted a proposal for conducting the hotel rating inspections (hereinafter: the **Proposal**);

**And whereas:** In its meeting dated \_\_\_\_\_ the Ministry's Tender Committee found the Examiner's Proposal as the most suitable out of all the proposals submitted in the Tender and selected it as the winning Proposal;

**And whereas:** The Examiner declares that he is interested and professionally able to provide the services specified in the Tender;

**And whereas:** The Examiner agrees to perform the professional work in accordance with the requirements and the terms set forth in the Tender and Agreement.

**Therefore, it is Declared, Stipulated and Agreed between the Parties as Follows:**

1. **The Agreement and Appendixes**

1.1. The introduction to this Agreement constitutes an integral part hereof.

1.2. The Appendixes of this Agreement constitute an integral part hereof and include the following:

1.2.1. The Tender and the winning proposal – marked as **Appendix A:**

- The Tender documents including Appendixes and updates thereof are marked as **Appendix A.1.**
- The winning proposal, including the proposed methodology by the bidder that was approved by the Tender Committee, and additional documents required and presented by the bidder – marked as **Appendix A.2.**

1.2.2. An undertaking to abide by the labor laws of the State of Israel – marked as **Appendix B.**

- 1.2.3. Required insurance policies – marked as **Appendix C**.
- 1.2.4. Performance bond – marked as **Appendix D**.
- 1.2.5. Declaration on use of original software products – marked as **Appendix E**.
- 1.2.6. Examiner's declaration concerning lack of conflict of interests – marked as **Appendix F**:
  - Declaration by the Project Manager concerning lack of conflict of interests – marked as **Appendix F.1**.
  - Declaration on behalf of the Examiner's on-site representative concerning lack of conflict of interests – marked as **Appendix F.2**.
  - Declaration of the inspection team concerning lack of conflict of interests – marked as **Appendix F.3**.
- 1.2.7. The Examiner's confidentiality undertaking – marked as **Appendix G**:
  - The Project Manager 's confidentiality undertaking – marked as **Appendix G.1**.
  - A confidentiality undertaking on behalf of the Examiner's on-site representative – marked as **Appendix G.2**.
  - A confidentiality undertaking by the inspection team– marked as **Appendix G.3**.
- 1.3. In case of discrepancy between the Tender Documents and the Agreement, the provisions set forth in the Agreement shall prevail.

## 2. **General**

- 2.1. The headings of the sections will serve for the purpose of orientation and convenience only, and will not serve for the purpose of interpreting the Agreement.
- 2.2. Words signifying one gender shall include the other and words signifying the singular shall include the plural and vice versa where appropriate.

3. **Definitions**

"Examiner" – the winning bidder of the Tender, which will conduct the Inspections for rating hotels in Israel.

"The Services" – conducting hotel inspections for the purpose of determining their rating and all other requirements as provided in the Tender and this Agreement.

"Term of Agreement" – the first term of engagement and any additional term of engagement, as provided in section 4 hereunder.

All terms specified in this Agreement shall have the meaning set forth for them in the Tender, unless otherwise expressly defined in the Agreement.

4. **Term of engagement**

4.1. The term of engagement for provision of the Services is 4 years following the signing of this Agreement by the authorized signatories on behalf of the Ministry of Tourism.

4.2. The Ministry reserves the exclusive right to extend the engagement for two additional periods of 3 years each, under the same terms set forth in the Tender and this Agreement, *mutatis mutandis*. It is understood that realization of this option is conditional upon allocation of appropriate budget on the part of the Ministry, and the approval of the Ministry's Tender Committee. The extension shall be executed by delivery of a prior and written notice by the Ministry to the Examiner at least 30 days before the termination of the Agreement or the extension period, respectively.

4.3. Without prejudice to the terms set forth in this Tender, the Ministry may, upon delivery of prior and written notice at least 60 days in advance, terminate the engagement during the term of engagement for any reason and at its sole discretion and without any commitment to provide any explanation for the said decision. In such circumstances the Ministry shall pay the Examiner the payment due to him in respect of his work done until the termination of the engagement; however no further payments shall be made, including damages or restitution.

4.4. Where this Agreement terminated for any reason, the Examiner undertakes to return to the Ministry's possession all materials furnished to him by the Ministry, or produced by him in the framework of provision of the Services and paid by the Ministry.

5. **The required services**

5.1. The Ministry hereby orders from the Examiner, and the Examiner hereby undertakes to provide the Ministry the required Services in accordance with the provisions set forth in the Tender and this Agreement, and in accordance with the requirements set forth by the Ministry's representatives, and perform all the work required for providing the Services in accordance with the Tender (Appendix A.1), his Proposal (Appendix A.2) and this Agreement.

5.2. The Examiner shall provide the Services according to the Hotelstars rating system as adapted to the Israeli market, in accordance with the arrangement set forth in the Tourism Services (Hotels) Regulations, 5773-2012, and the Criteria set forth for the purpose of rating, enclosed as Appendix 3 of the Tender Documents, and according to the methodology presented by the bidder in his Tender Proposal, as approved by the Ministry.

5.3. The Examiner shall provide the services in a professional manner suited to a leading rating company providing this kind of services.

5.4. The Examiner shall perform all the tasks set forth in the Tender and in accordance with the modifications requested by the Ministry from time to time.

6. **Equipment and workforce**

6.1. The Examiner warrants that he has all the required means for providing the Services, and that he is capable to provide a team with the suitable quality and professional skills including professional experience and know-how required for executing this project.

6.2. The Examiner undertakes to employ experienced and professional workers in the required number to provide all the Services in accordance with the provisions set

forth in this Agreement and for the purpose of meeting the required schedules, as provided in the Agreement and the Tender.

- 6.3. The Examiner undertakes to employ only workers who hold all required permits and licenses for providing the Services.
- 6.4. The Examiner shall provide the services by the team proposed in the Tender, unless the Ministry granted its prior and written approval for a change.
- 6.5. The Ministry shall be entitled to request from the Examiner to physically remove or discontinue the work of any worker on behalf of the Examiner involved in the provision of the Services, at its discretion, and the Examiner undertakes to abide by this decision immediately after being requested to do so. The Ministry shall not be obligated to compensate the Examiner in any manner for losses or damages that may be caused due to the said request.
- 6.6. The Examiner shall be held liable towards the Ministry that any worker or another entity operating on his behalf in the provision of the Services shall act in accordance with the provisions set forth in this Agreement, including the requirements set forth concerning schedules, work quality and confidentiality.
- 6.7. The Examiner undertakes to fulfill all the provisions set forth in all Israeli labor laws including protective labor laws, extension orders, and collective agreements in the sector in which he operates, and minimum wages as provided in Appendix B.

7. **Examiner's undertakings**

- 7.1. The Examiner declares that he read and understood all the terms set forth in the Agreement, and that he is not legally precluded from providing the Services, and he undertakes to provide the Services in accordance with the terms and the requirements set forth in this Agreement and in accordance with the instructions set forth by the Ministry in a high professional level to the Ministry's satisfaction.
- 7.2. The Examiner hereby declares that all his undertakings as provided in this Agreement and Appendixes thereof shall be made and signed by authorized

signatories on his behalf who are legally empowered to sign this Agreement in his name.

- 7.3. The Examiner hereby undertakes that no changes or modifications shall be implemented in its ownership structure during the term of the Agreement without obtaining the Ministry's prior and written approval.
- 7.4. The Examiner undertakes to notify the Ministry immediately, orally, in writing and via email, about any change in its legal status, or any change or circumstances that may result in a situation in which he will not be able to provide the Services in whole or in part, for any reason, and any other matter that may affect the provision of the Services.
- 7.5. The Examiner undertakes to use equipment, workforce and means required for providing the Services in accordance with the laws of the State of Israel.
- 7.6. The Examiner undertakes to use only original software products in the provision of the Services, and to sign the declaration in Appendix E.

## 8. **Remuneration and Terms of payment**

- 8.1. Payments shall be made in accordance with the price bid submitted by the Examiner in Appendix 7 of the Tender.
- 8.2. Payments due to the Examiner shall be paid once a month according to the number of hotel inspections that were completed in the previous month, as specified hereunder:
  - 8.2.1. In return for a "Rating inspection" for each hotel up to the first 100 hotels – **X** (hereinafter: the **Price**);
  - 8.2.2. In return for a "Rating inspection" for each hotel between the next 101 and 200 hotels – **0.9X**.
  - 8.2.3. In return for a "Rating inspection" for each hotel from the 201<sup>st</sup> and above – **0.85X**.
  - 8.2.4. In return for a "Rating renewal inspection" – **0.75X**.
  - 8.2.5. In return for a "Special inspection" – **0.4X**.
- 8.3. The remuneration shall be paid in NIS. VAT, if applicable, shall be added to the amount at the time of payment.

- 8.4. If at the end of the first year less than 100 hotels are registered for conducting Rating inspection, the Ministry undertakes to pay the Examiner the remaining amount in respect of a Rating inspection for the first 100 hotels (100X), even if in actuality less than 100 hotels were rated. This payment shall be offset from the payments due to the Examiner for additional Inspections he shall perform in the future.
- 8.5. The prices set forth hereinabove shall include all the Examiner's costs and expenses for the purpose of providing the Services. It is emphasized that the Ministry shall make no additional payments in addition to the foregoing, not in the course of providing the Services and not after termination of the Agreement, not to the Examiner or anyone acting on his behalf, unless as provided in this Agreement.
- 8.6. Payment shall be executed subject to furnishing detailed bills until the 10<sup>th</sup> of the month for the performance of the work, in addition to all required performance reports.
- 8.7. Payments shall be made within 45 days following receipt of the bills and performance reports by the Ministry, subject to obtaining the approval of the Commissioner or anyone acting on his behalf, and the approval of the Finance Department of the Ministry, in accordance with the "government payment date" as provided in the instructions set forth by the Accountant General in the Ministry of Finance.
- 8.8. Linkage –  
Payments due to the Examiner shall be linked to the consumer price index as published by the Central Bureau of Statistics or any entity that was authorized by the Government of Israel to replace it (hereinafter: **Index**), in accordance with the instructions set forth by the Accountant General in the Israel Ministry of Finance, in the following manner:
- 8.8.1. In the first 18 months period following the last date of submission of proposals no linkage shall apply to the prices proposed in the framework of this Tender.

- 8.8.2. At the end of the 18 months period following the last date of submission of proposals, the basic index shall be determined according to the known Index on that date, and shall serve as a benchmark for applying the linkage (hereinafter: **Basic Index**).
- 8.8.3. The Linkage shall be implemented each month, at the time of payment.
- 8.8.4. The rate of adjustment shall be determined according to the last known Index at the time of payment compared to the Basic Index.
- 8.8.5. Notwithstanding the foregoing, if the Index rose by more than 4% within the 18 months period from the last date of submission of proposals, then the Basic Index shall be the Index known on the date in which a change of more than 4% occurred, as specified hereinabove, and the calculation of the linkage shall be made as of this date.

## 9. **Performance bond**

- 9.1. For ensuring the execution of his undertakings in accordance with the provisions set forth in this Agreement, the Examiner shall furnish the Ministry a Performance bond in the amount of **25,000 euro** no later than 14 days after the Agreement comes into force. The Performance bond shall be submitted in accordance with the form specified in Appendix D of the Agreement.
- 9.2. The Performance bond shall remain in effect for 60 days following the termination of the Agreement.
- 9.3. If the term of the Agreement is extended, the Examiner shall furnish the Ministry, within 14 days after the extension comes into effect, a Performance bond for the extension period. The provisions set forth in this Agreement with regard to the original Performance bond shall apply to the Performance bond furnished for the extension period, *mutatis mutandis*. In the event the Examiner failed to furnish a Performance bond for the additional period as aforementioned, this shall constitute a fundamental breach of the Agreement.
- 9.4. The Performance bond shall be issued by a commercial bank in Israel or an independent insurance company, licensed to engage in insurance, or by a foreign commercial bank, on the condition that the state where the foreign bank is

located maintains diplomatic relations with the State of Israel, and it is rated (by a long term international rating) at least under class A by Standard & Poor's, Moody's or Fitch. The identity of the foreign supplier shall be approved by the Ministry at least 10 business days before the Performance bond is submitted. The Ministry reserves the right to request confirmation as to the financial position of the international bank from a commercial bank in Israel. If the rating of the foreign commercial bank that was approved changes, the Ministry reserves the right to request the bidder to replace the Performance bond by another bond that satisfies all the conditions specified hereinabove within 14 business days following receipt of the Ministry's request.

- 9.5. The Ministry shall be entitled to forfeit the Performance bond whenever it is of the opinion that a term or terms in this Agreement were breached, and without having to provide proof for its decision. The Performance bond shall serve for the purpose of ensuring that the Examiner satisfies all the terms set forth in this Agreement, and for the purpose of indemnifying and compensating the Ministry in respect of any damage, payment, loss, damage or expense that were caused or that may be caused to the Ministry due to failure to fulfill the provisions set forth in the Agreement, in whole or in part, fully and timely, or following cancellation of the Agreement, restriction or suspension thereof.
- 9.6. The Ministry may forfeit the Performance bond, in whole or in part, up to the amount set forth therein, provided that it delivered a warning to the Examiner stating that if within the period set forth in the warning, the Examiner fails to remedy the act or the omission subject matter of the warning, the Performance bond shall be forfeited in whole or in part.
- 9.7. Forfeiture of the Performance bond, in whole or in part, shall not derogate from the power of the Ministry to cancel, restrict or suspend the Agreement, or claim in any other manner from the Examiner payment for damages he is obligated to pay in accordance with the provisions set forth in this Agreement, or seek any other remedies in accordance with the provisions set forth in any law.
- 9.8. Where the Performance bond or part thereof was forfeited, the Examiner shall furnish a new Performance bond or shall complete its amount up to the amount

set forth in the original Performance bond, immediately upon receiving a request from the Ministry to do so; failure to complete the bond amount as said shall constitute a fundamental breach of the terms of this Agreement and the Ministry may, without derogating from its authority to cancel, restrict or suspend the Agreement – forfeit any amount left of the Performance bond.

- 9.9. The above provisions, including collection of the entire Performance bond amount, shall not release the Examiner from fulfilling all his undertakings in accordance with this Agreement, and shall not impose on the Ministry any liability, or restrict in any manner the scope of the Examiner's undertakings and liability in accordance with the provisions of this Agreement or in accordance with the provisions of any law, or the scope of damages or expenses the Ministry incurred due to breach of the Agreement by the Examiner.

10. **Nature of the relationship between the parties**

- 10.1. It is hereby agreed and declared that relationship between the parties to this Agreement shall be a relationship of a client and a contractor, and no employer-employee relationship exists or will exist between the parties as a result of providing the Services, and that the remuneration was determined based upon this declaration.
- 10.2. It is declared and agreed that the Examiner or anyone acting on his behalf shall not be granted any of the rights of the Ministry's employees, and that except for the payment of the remuneration to the Examiner, his employees shall not be entitled to any payment or another benefit in respect of provision of the Services, including payments in respect of telephone, post, photocopies, printing, travel, per diem expenses and so on.
- 10.3. Any right granted to the Ministry or representative thereof concerning supervision, instruction or guidance of the Examiner or anyone acting on his behalf shall be considered only as a means to ensure due provision of the Services and performance of this Agreement fully, and shall not give rise to employer-employee relationship.

10.4. The Examiner declares that he is the employer of the employees employed by him, and he shall bear sole liability towards these employees and all the obligations imposed on an employer in accordance with the law, including collective agreements or the extension orders applicable to the employees according to their work sector.

11. **Liability**

11.1. The Examiner shall be held liable for any damage or injury caused to a person or property, due to any act or omission or cause deriving from the Examiner or employees or agents thereof, or due to the manner of performing the Services, whether directly or indirectly, and whether duly or negligently performed.

11.2. The Examiner undertakes to compensate and indemnify the Ministry in respect of any monetary damage or obligation, payment or expense that the Ministry shall incur or shall be obligated to incur, due to any act or omission by the Examiner or any employee or agent of him deriving from the manner of executing his undertakings in accordance with this Agreement.

12. **Insurance**

The Examiner shall take out insurance policies as provided in Appendix C; the Examiner and the Ministry of Tourism shall be included in the policies for the purpose of providing insurance coverage for any claim for damage or loss caused as a result of providing the Services in accordance with this Agreement. The insurance policies shall include all required coverage and terms that shall not be less than stipulated in Appendix C.

13. **Conflict of interests**

- 13.1. The Examiner shall perform all the actions required for providing the Services for the Ministry of Tourism and in its favor exclusively. The Examiner shall be held liable and obligated towards the Ministry only.
- 13.2. The Examiner declares and warrants that he has and shall not have during the term of engagement between the parties and 12 months following termination of the Agreement, any kind of conflict of interests in the provision of the Services in accordance with this Agreement. The Examiner shall not be granted, directly or indirectly, any right, income or benefit from another entity in connection with the performance of this Agreement.
- 13.3. The Examiner declares and warrants that he shall not represent or act on behalf of any entity in any matter related to the Services except for the Ministry, without obtaining the Ministry's prior and written approval.
- 13.4. The Examiner shall report immediately to the Ministry about any detail or circumstances in respect of which the Examiner or employees thereof or any related party may be in a conflict of interests between their position in accordance with the provisions set forth in this Agreement and another matter, immediately upon finding about the said detail or circumstances.
- 13.5. The Examiner undertakes to ensure that any employee on his behalf, who will provide services to the Ministry in accordance with this Agreement, shall sign a declaration and undertaking concerning lack of conflict of interests, as provided in Appendix F of this Agreement.

14. **Confidentiality**

- 14.1. In this section "information" shall mean any information, know-how, item of information, document, correspondence, plans, data, model, opinion, conclusion and any other matter pertaining to the provision of the Services, whether oral or written, or in any other manner of storing information, whether electric, electronic, magnetic, optic or otherwise.

- 14.2. The Examiner undertakes to keep confidential and not to communicate, deliver, convey, reveal, allow access, or bring to the knowledge of any person any information that reaches him in connection with the performance of this Agreement before, during and after the term of the Agreement, unless it is necessary for the purpose of providing the Services as provided in this Agreement and Appendixes thereof, or in the event the Ministry granted its prior and written approval.
- 14.3. Any information that reaches the Examiner in the framework of the engagement with the Ministry for the purpose of providing the Services, including deliverables and products, reports, and data collected in the course of the work, shall be fully and exclusively owned by the Ministry, and the Examiner shall not be entitled to transfer this information to another entity, or make any use thereof beyond the required use for the purpose of providing the Services. The Examiner hereby declares that he is aware of the fact that revealing the information to an unrelated party contrary to the provisions of this Agreement, may cause considerable damage to the Ministry from different aspects.
- 14.4. Upon expiry of the term of engagement with the Examiner or termination thereof, the Examiner undertakes to continue keeping the information confidential, and not to use it or reveal it to another entity, without obtaining the Ministry's prior and written approval.
- 14.5. The Examiner hereby declares that he is aware that failure to keep the information confidential as specified hereinabove constitutes an offense in accordance with the provisions set forth in Chapter Seven, Article E of the Penal Law 5737-1977.
- 14.6. The Examiner undertakes to ensure that the information as said shall also be kept confidential by his employees, agents, and anyone employed or will be employed by him in the provision of the Services, and undertakes to sign anyone employed by him or on his behalf in the provision of the Services on the confidentiality undertaking form enclosed as Appendix G of the Agreement.
- 14.7. The Examiner shall indemnify the Ministry in respect of any damage or expense caused to the Ministry due to failure to fulfill the confidentiality undertaking.

15. **Information security**

- 15.1. The Examiner shall make arrangements so as to safeguard all the information that reached him in the course of providing the Services. The Examiner shall furnish the Ministry, at the Ministry's request, the means he uses for protecting the information.
- 15.2. The Examiner shall prevent access to the computer systems in his possession or to computer systems serving him for providing the Services from any person who is unauthorized to review the materials or the information stored in the computer, or from a person who did not sign a confidentiality undertaking.
- 15.3. The Examiner shall be held liable towards the Ministry for any information communicated to him or through him, including reports, form and magnetic media.
- 15.4. At the Ministry's request, and at the time of expiry of the engagement or termination thereof, the Examiner undertakes to deliver to the Ministry all the information at his disposal in connection with this Agreement, in a format agreed with the Ministry. It is clarified that the Examiner shall not hold any document or magnetic media that arrived to him, directly or indirectly, in the framework of his work, and shall not make any copy thereof.

16. **Supervision, control, reporting and work procedures**

- 16.1. The parties hereby agree and declare that in the course of providing the Services, the Examiner's actions shall be supervised and controlled by the Ministry.
- 16.2. The Ministry shall be entitled to demand from the Examiner, from time to time and at its discretion, a report about the stages of performance of the Services. For that purpose the Examiner undertakes to provide the Ministry all the information, materials and data at his disposal.
- 16.3. Each party shall appoint a representative on its behalf for upholding the obligations of this Agreement:

- 16.3.1. The **Ministry's representative** shall be Mrs. Rakefet Levy, or anyone appointed by the Ministry for that purpose.
- 16.3.2. The **Examiner's representative** shall be Mr./Mrs. \_\_\_\_\_
- 16.4. The Ministry's representative shall be vested with the powers to determine whether or not the Services were duly executed, in accordance with the provisions set forth in this Agreement. To dispel any doubt, it is hereby clarified that the powers vested to the Ministry's representative are limited in anything related to increasing the remuneration amount as provided in this Agreement, and any instruction that increases the remuneration amount in this Agreement shall bind the parties only if executed in writing and signed by the Ministry's authorized signatories.
- 16.5. For the purpose of maintaining supervision and control as specified hereinabove, the Ministry's representative may:
- 1) Enter at any time any facility or office serving the Examiner for the purpose of providing the Services;
  - 2) To review any record, document, plan, register or database, printed or computerized, kept by the Examiner or anyone employed by the Examiner concerning matters in respect of which the Ministry's representative is vested with supervisory powers as specified hereinabove; the Ministry's representative shall be entitled to review and copy the said materials in any manner s/he deems fit.
- 16.6. The Examiner shall cooperate with the Ministry in anything related to supervision over his actions in performing the Services, and shall furnish to the Ministry's representative, upon demand, any information in his possession or under his control required for the purpose of executing the supervision.
- 16.7. Where defects or failures were found in the Examiner's level of service or level of performance, the Ministry's representative shall be entitled to instruct the Examiner about the actions that the Examiner has to take for remedying the said defects and failures, and the times for their implementation. The Examiner hereby undertakes to give the Ministry all required assistance for the purpose of

performing the inspections and remedying the defects and failures as specified hereinabove at no additional cost.

16.8. The foregoing shall not derogate from the Examiner's liability to duly provide the Services in accordance with the provisions set forth in this Agreement.

17. **Updates and modifications**

The Ministry may demand from the Examiner to implement changes in the Services provided in the framework of this Agreement. The Examiner shall not be entitled to receive additional remuneration in return for immaterial changes. The Ministry shall determine which changes shall be deemed marginal or material and the remuneration thereof, if any. When material changes are required, the Examiner shall make a proposal to implement such changes, including the costs and duration of work. Where the Ministry approved the proposal, the Examiner shall act in accordance with the approved proposal. The Examiner undertakes that the price proposal concerning material changes shall be reasonable and shall not exceed the market prices in connection with the required services. All the provisions of this Agreement shall apply to the approved proposals for change.

18. **Setoff and lien**

In the event pecuniary damage was caused to the Ministry by the Examiner or employees thereof in the framework of the provision of the Services, the Ministry shall be entitled to offset or withhold payment of any amount due to the Examiner out of the amounts the Ministry paid or that it may be required to pay, due to negligence or omission committed by the Examiner. Before the Ministry exercises this right, it shall deliver a written notice concerning its intention to offset the said amounts, and shall grant the Examiner a reasonable time to mitigate the damage, or to demonstrate that he or anyone acting on his behalf did not cause the said damage.

19. **Transfer of rights and liabilities**

19.1. The parties agree that the Examiner shall not be entitled to transfer his rights or liabilities in accordance with this Agreement, in whole or in part, in any manner to another, without obtaining the Ministry's prior and written approval. Where such approval was granted as said, this shall not release the Examiner from any undertaking, liability or obligation in accordance with this Agreement and in accordance with the provisions set forth in any law.

19.2. The Ministry shall be entitled to consider allotment or transfer of shares by the Examiner that constitute transfer of control or sale or transfer of control in another manner as transfer of rights in accordance with this Agreement; the Examiner shall notify the Ministry about any such activity as said, and the Ministry shall deliver the Examiner a written notice, while granting a 30 days extension period, stating whether it intends to consider the said action as transfer of rights as provided in this section.

20. **Upholding the provisions set forth in any law**

This Agreement shall be governed by the laws of the State of Israel.

The Examiner undertakes to uphold his undertakings in accordance with the provisions set forth in this Agreement and in accordance with all the provisions set forth in Israeli law referring directly or indirectly to the performance of this Agreement.

21. **The Ministry's undertakings**

21.1. The Ministry undertakes to pay the remuneration in accordance with the provisions set forth in this Agreement.

21.2. The Ministry undertakes to cooperate with the Examiner for the purpose of enabling the performance of his undertakings in accordance with this Agreement.

21.3. The Ministry undertakes to furnish the Examiner any information it holds and that, in the Ministry's opinion, is required for providing the Services in accordance with the provisions of this Agreement.

22. **Breach of the Agreement**

The Ministry shall be entitled, at its sole discretion, and without derogating from any other right or remedy it may seek in accordance with the provisions of this Agreement and in accordance with the provisions set forth in any law due to breach of the Agreement by the Examiner, to terminate this Agreement immediately upon the occurrence of the following events:

- 22.1. The Examiner failed to meet his undertakings and obligations and failed to provide the Services as required in this Agreement, including schedules specified thereat.
- 22.2. If an attachment is imposed on moneys due from the Ministry to the Examiner, and the attachment is not removed within 30 days after it was imposed.
- 22.3. If a motion for appointment of a trustee, temporary liquidator or receiver is filed against the Examiner and the motion is not removed within 30 days.
- 22.4. If it is found that the Examiner or employees thereof revealed information owned by the Ministry to a third party without obtaining the prior and written approval of the Ministry.
- 22.5. The Examiner did not disclose to the Tender Committee information he was required to disclose or provided in the Tender Documents incorrect or misleading information.

23. **Modification of the Agreement**

Any modifications to this Agreement may be executed solely in writing and no claim shall be raised concerning oral or implied modification.

24. **Jurisdiction**

This Agreement shall be governed in all respects, including breach thereof, by the laws of the State of Israel, and the competent courts of Jerusalem shall have sole and exclusive jurisdiction over any matter arising thereof.

25. **Budget**

25.1. Execution of this Agreement is conditional upon allocation of appropriate budget on the part of the Ministry, and shall be according to the budget approved by the competent entities.

25.2. The Agreement shall be executed in accordance with the budgetary directive no. \_\_\_\_\_.

26. **Addresses**

26.1. For the purpose of this Agreement the addresses of the parties shall be as follows:

The Ministry: Israel Ministry of Tourism, 5 Bank of Israel St., Jerusalem, 91009, Israel

The Examiner: \_\_\_\_\_

26.2. A notice delivered by registered mail to the above noted addresses shall be deemed to have been lawfully received within 3 workdays following its delivery by registered mail as specified hereinabove.

And in witness hereof the parties are hereby undersigned:

\_\_\_\_\_  
Director General

\_\_\_\_\_  
Accountant

**The Ministry**

\_\_\_\_\_  
**The Examiner**

## Appendix A of the Agreement

**Appendix A.1** – The Tender documents, including Appendixes and updates thereof.

**Appendix A.2** – The winning bidder's proposal, including the proposed methodology as approved by the Tender Committee and additional documents required and presented by the bidder.

## Appendix B of the Agreement

### Undertaking to abide by labor laws

I, the undersigned, hereby undertakes in the Examiner's name to abide by the provisions set forth in all labor laws specified hereunder with regard to all the employees and other staff that will participate in the provision of the Services in accordance with this Agreement:

Employment Law, 5719-1959

Hours of Work and Rest Law, 5711-1951

Sick Pay Law, 5736-1976

Annual Leave Law, 5711-1950

Employment of Women Law, 5714-1954

Male and Female Workers Equal Pay Law, 5725-1965.

Youth Labor Law, 5712-1952.

Apprenticeship Law, 5713-1953.

Discharged Soldiers (Return to Employment) Law, 5711-1951.

Wage Protection Law, 5718-1958.

Severance Pay Law, 5723-1963.

Minimum Wages Law, 5747-1987.

Equal Opportunities at Work Law 5748-1988

National Insurance Institute Law [Consolidated Version] 5755-1995 (including National Health Insurance Law)

Prior Notice Law for Dismissal or Resignation 5761-2001

Accidents and Occupational Diseases Ordinance (Notice), 1945

Safety at Work Ordinance, 1946

Labor Inspection (Organization) Law, 5714-1954.

Emergency Labor Service Law, 5727-1967.

National Insurance Institute Law [Consolidated Version] 5755-1995

Collective Agreement Law 5717-1957

Foreign Workers (Prohibition of Unlawful Employment and Assurance of Fair Conditions) Law, 5751-1991.

Employment of Employees by Manpower Contractors Law, 5756-1996.

Chapter D in the Equal Rights to Persons with Disabilities Law, 5758-1998.

Prevention of Sexual Harassment Law, 5758-1998.

Section 29 in the Genetic Information Law, 5761-2000.

Notice to an Employee (Terms of Employment) Law 5762-2002.

Protection of Employees in an Emergency Law, 5766-2006.

Section 5A of the Protection of Employees (Exposure of Offenses, Unethical Conduct or Improper Administration) Law, 5757-1997.

Prohibition on employment of Sex Offenders in an Institution aimed at providing Services to Minors Law, 2001

Date	Full name of the signatory on behalf of the Examiner	Examiner's signature and stamp

Advocate confirmation concerning upholding labor employment laws:

Date	Full name of advocate/accountant	Signature and stamp

## Appendix C of the Agreement

### **Insurance**

In connection with Examiner's performance of its duties and obligations under this Agreement, the Examiner shall maintain, during the Term of the Agreement, the following insurance policies:

1. **Professional Liability Insurance** with a limit of indemnity of not less than €1,500,000 for each claim and aggregate arising with respect to damages caused by an act and/or omission (including breach of duty) in connection with the Services. The professional liability insurance policy will include a cross liability section and shall include coverage in connection with the Examiner's employees, service providers and subcontractors, any fraud and dishonesty, and loss of documents. The policy includes a discovery period - extended reporting of 24 months following the expiration date of the Insurance policy.

The policy is on "claims made" basis. The retroactive coverage shall be not less than the date the Agreement came into force. The policy is extended to indemnify the Ministry of Tourism on their behalf for liability that might be imposed upon them due to an act and/or omission by the Examiner and/or those acting on his behalf, without derogating from the insurance of the advisor's liability towards the Ministry of Tourism.

2. **Employers Liability Insurance** in connection with all of its employees and/or service providers and subcontractors engaged in the provision of the Services. The indemnity liability with respect to each employee and each occurrence and annual aggregate under this policy shall be no less than €4,000,000.
3. **Third Party Insurance** for liabilities of the Examiner and subcontractors toward third parties in connection with property damages or bodily harm damages with a limit of indemnity of not less than €750,000 for each occurrence and aggregate. The third party liability insurance policy will include a cross liability section.

4. All of the above policies shall include the following provisions:
  - (i) The Ministry of Tourism added as additional insured for their rights and interests in all of the above policies.
  - (ii) The insurance will not be reduced or canceled in any way without a prior written notification to be delivered to the Ministry of Tourism by registered mail, at least 45 days in advance. The Examiner shall be obliged to provide the Ministry with substitute insurance, valid as of the date of reduction or cancellation of the existing insurance policy, and to the full satisfaction of the Ministry.
  - (iii) A waiver of subrogation by the insurer against Ministry of Tourism and its employees.
  - (iv) The Examiner shall be solely responsible for the payment of the fees under such insurance policies, any deductible under the insurance policies and any obligation included in the insurance policies.
  - (v) The policies shall be primary and without right of contribution with respect to any other insurance which may be available for the protection of the Ministry Additional insured.
5. The Examiner shall furnish evidence that the above insurance policies are being properly maintained upon the execution hereof, within 14 days of the Signature Date, to provide the Examiner with Certificate of Insurance signed by the Examiner's insurer, and whenever it is reasonably requested by the Ministry of Tourism. During the Term, the Examiner shall produce evidence of the renewal of the above insurance policies 14 days prior to the expiration of each policy.
6. The provisions of this section (Insurance) shall not derogate from the Examiner's liability or the Ministry's rights under this Agreement or any law.

Appendix D of the Agreement

Performance Bond

Bank/Insurance Company Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Fax number \_\_\_\_\_

**Letter of Guarantee**

To

The Government of Israel

By the Ministry of Tourism

**Re: Guarantee no.** \_\_\_\_\_

We hereby guarantee before you to pay an amount up to **€25,000 (twenty five thousand euro)** as of the date \_\_\_\_\_ (date the guarantee comes into force) which you will demand from: \_\_\_\_\_ (hereinafter: the Debtor) in connection with the provision of Services subject matter of Tender no. 17/2012 for the selection of a company to classify hotels in Israel.

We will pay you the said amount within 15 days following receipt of your first request delivered to us by registered mail, and you will not be required to provide reasons for your decision and we will not raise any claim that the Debtor may have against you in connection with the obligation towards you, or demand first repayment of the said amount by the Debtor.

This Guarantee shall be in force from \_\_\_\_\_ until \_\_\_\_\_

A requirement made based upon this Guarantee shall be delivered to the insurance company/bank branch:

\_\_\_\_\_ (Name of the Bank/Insurance Company)

\_\_\_\_\_ (Bank and branch no.)

\_\_\_\_\_ (Bank branch/Insurance company address)

This Guarantee is non-transferable

\_\_\_\_\_  
Date

\_\_\_\_\_  
Full Name

\_\_\_\_\_  
Signature and Stamp

## Appendix E of the Agreement

### Declaration of use of original software

I, the undersigned, hereby warrants in the Examiner's name to use only original licensed software in the performance of Services according to this Agreement.

Date	Full name of the signatory on behalf of the Examiner	Examiner's signature and stamp

Advocate confirmation regarding the Examiner's declaration:

Date	Full name of the advocate	Signature and stamp

## Appendix F of the Agreement

### Declaration concerning lack of conflict of interests

Avoidance from conflict of interests – Examiner's undertaking:

1. I, the undersigned, hereby declare and warrant in the Examiner's name that I shall not be in a conflict of interests of any kind with interested parties in the field of activity pertaining to the provision of Services to the Ministry of Tourism in accordance with this Agreement during the term of the Agreement and three months thereafter.
2. I declare and warrant that I shall not represent or act on behalf of any entity, directly or indirectly, in the field of provision of the Services subject matter of this Agreement, except for on behalf of the Ministry, during the term of the Agreement and three months thereafter, without obtaining the Ministry's prior and written approval.
3. I undertake to notify the Ministry immediately about any detail or circumstances due to which I may be found in a conflict of interests, immediately upon discovering the said detail or circumstances.
4. I declare and undertake to report in advance to the Ministry about my intention to engage with any entity as specified hereinabove, with which I may be in a conflict of interests, and I undertake to act in accordance with the instructions set forth by the Ministry concerning this matter. The Ministry may not approve the said engagement or give other instructions that shall ensure lack of conflict of interests, and I undertake to act in accordance with the said instructions.
5. I undertake to act for applying the said to all the employees and any related party who are going to participate in the provision of the Services in accordance with this Agreement.

And in witness hereof I am hereby undersigned:

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Date	Full name of the signatory on behalf of the Examiner	Examiner's signature and stamp
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Advocate confirmation regarding the Examiner's declaration:

Date	Full name of the advocate	Signature and stamp

## Appendix F.1

### **Avoidance from conflict of interests – Project Manager's undertaking:**

1. I, the undersigned, hereby declare and warrant that I shall not be in a conflict of interests of any kind with interested parties in the field of activity pertaining to the provision of Services to the Ministry of Tourism in accordance with this Agreement during the term of the Agreement and three months thereafter.
2. I declare and warrant that I shall not represent or act on behalf of any entity, directly or indirectly, in the field of provision of the Services subject matter of this Agreement, except for on behalf of the Ministry, during the term of the Agreement and three months thereafter, without obtaining the Ministry's prior and written approval.
3. I undertake to notify the Ministry immediately about any detail or circumstances due to which I may be found in a conflict of interests, immediately upon discovering the said detail or circumstances.
4. I declare and undertake to report in advance to the Ministry about my intention to engage with any entity as specified hereinabove with which I may be in a conflict of interests, and I undertake to act in accordance with the instructions set forth by the Ministry concerning this matter. The Ministry may not approve the said engagement or give other instructions that shall ensure lack of conflict of interests, and I undertake to act in accordance with the said instructions.
5. I undertake to act for applying the said to all the employees and any related party who are going to participate in the provision of the Services according to this Agreement.

And in witness hereof I am hereby undersigned:

Date	Full name of the Project Manager	Project Manager's signature

Advocate confirmation regarding the Project Manager's declaration:

Date	Full name of the advocate	Signature and stamp

## Appendix F.2

### Avoidance from conflict of interests – Undertaking by the Examiner's on-site representative:

1. I, the undersigned, hereby declare and warrant that I shall not be in a conflict of interests of any kind with interested parties in the field of activity pertaining to the provision of Services to the Ministry of Tourism in accordance with this Agreement during the term of the Agreement and three months thereafter.
2. I declare and warrant that I shall not represent or act on behalf of any entity, directly or indirectly, in the field of provision of the Services subject matter of this Agreement, except for on behalf of the Ministry, during the term of the Agreement and three months thereafter, without obtaining the Ministry's prior and written approval.
3. I undertake to notify the Ministry immediately about any detail or circumstances due to which I may be found in a conflict of interests, immediately upon discovering the said detail or circumstances.
4. I declare and undertake to report in advance to the Ministry about my intention to engage with any entity as specified hereinabove with which I may be in a conflict of interests, and I undertake to act in accordance with the instructions set forth by the Ministry concerning this matter. The Ministry may not approve the said engagement or give other instructions that shall ensure lack of conflict of interests, and I undertake to act in accordance with the said instructions.
5. I undertake to act for the purpose of applying the said to all the employees and any related party who are going to participate in the provision of the Services according to this Agreement.

And in witness hereof I am hereby undersigned:

Date	Full name of the Examiner's on-site representative	Examiner's on-site representative signature

Advocate confirmation regarding the Examiner's on-site representative's declaration:

Date	Full name of the advocate	Signature and stamp

### Appendix F.3

#### **Avoidance from conflict of interests – Undertaking by the inspection team:**

1. I, the undersigned, hereby declare and warrant that I shall not be in a conflict of interests of any kind with interested parties in the field of activity pertaining to the provision of Services to the Ministry of Tourism in accordance with this Agreement during the term of the Agreement and three months thereafter.
2. I declare and warrant that I shall not represent or act on behalf of any entity, directly or indirectly, in the field of provision of the Services subject matter of this Agreement, except for on behalf of the Ministry, during the term of the Agreement and three months thereafter, without obtaining the Ministry's prior and written approval.
3. I undertake to notify the Ministry immediately about any detail or circumstances due to which I may be found in a conflict of interests, immediately upon discovering the said detail or circumstances.
4. I declare and undertake to report in advance to the Ministry about my intention to engage with any entity as specified hereinabove with which I may be in a conflict of interests, and I undertake to act in accordance with the instructions set forth by the Ministry concerning this matter. The Ministry may not approve the said engagement or give other instructions that shall ensure lack of conflict of interests, and I undertake to act in accordance with the said instructions.

And in witness hereof I am hereby undersigned:

Date	Name of the person performing inspections	Signature

## Appendix G of the Agreement

### Confidentiality Undertaking

#### Examiner's confidentiality undertaking

I, the undersigned, hereby declare in the Examiner's name, that I read and understood the said in section 14 of the Agreement, and undertake to act in accordance with the said in that section.

And in witness hereof I am hereby undersigned:

Date	Full name of the signatory on behalf of the Examiner	Examiner's signature and stamp

Advocate confirmation regarding the Examiner's declaration:

Date	Full name of the advocate	Signature and stamp

## Appendix G.1

### Confidentiality undertaking by the Project Manager

I \_\_\_\_\_

ID. No./Passport No. \_\_\_\_\_

Employee in \_\_\_\_\_ company/organization

Hereby declares and warrant before the Ministry of Tourism as follows:

1. Not to disclose, demonstrate, communicate, advertise, deliver, notify or bring to the knowledge of any person or entity commercial or professional secrets owned by the Ministry of Tourism, and any information that reached my knowledge in the framework of provision of the Services in accordance with the Agreement signed with the Ministry of Tourism in Public Tender No. 17/2012 to select a company for classifying hotels in Israel.
2. Not to make any use of the information as specified hereinabove, for any purpose other than the implementation of the work subject matter of the said Agreement, including duplications, photocopies and so on.
3. I am aware that failure to uphold my confidentiality undertaking in accordance with this declaration constitutes an offense in accordance with Chapter Seven of the Penal Law 5737-1977 (State Security, Foreign Relations and Official Secrets).
4. I am aware that revealing the information as said without obtaining the Ministry's approval may cause the Ministry or other entities considerable damage.
5. I am aware that disclosing personal information that reaches to me to an unauthorized entity may constitute infringement of privacy, an offense in respect of which criminal charges may be filed against me in accordance with Section 5 of the Protection of Privacy Law 5741-1981.

And in witness hereof I am hereby undersigned:

Date	Project Manager full name	Signature

Advocate confirmation regarding the Project Manager's declaration:

Date	Full name of the advocate	Signature and stamp

Appendix G.2

**Confidentiality undertaking on behalf of the Examiner's on-site representative**

I \_\_\_\_\_

ID. No./Passport No. \_\_\_\_\_

Employee in \_\_\_\_\_ company/organization

Hereby declares and warrants before the Ministry of Tourism as follows:

1. Not to disclose, demonstrate, communicate, advertise, deliver, notify or bring to the knowledge of any person or entity commercial or professional secrets owned by the Ministry of Tourism, and any information that reached my knowledge in the framework of provision of the Services in accordance with the Agreement signed with the Ministry of Tourism in Public Tender No. 17/2012 to select a company for classifying hotels in Israel.
2. Not to make any use of the information as specified hereinabove, for any purpose other than the implementation of the work subject matter of the said Agreement, including duplications, photocopies and so on.
3. I am aware that failure to uphold my confidentiality undertaking in accordance with this declaration constitutes an offense in accordance with Chapter Seven of the Penal Law 5737-1977 (State Security, Foreign Relations and Official Secrets).
4. I am aware that revealing the information as said, without obtaining the Ministry's approval may cause the Ministry or other entities considerable damage.
5. I am aware that disclosing personal information that reaches to me to an unauthorized entity may constitute infringement of privacy, an offense in respect of which criminal charges may be filed against me in accordance with Section 5 of the Protection of Privacy Law 5741-1981.

And in witness hereof I am hereby undersigned:

Date	Examiner's on-site representative full name	Signature

Advocate confirmation regarding the Examiner's on-site representative's declaration:

Date	Full name of the advocate	Signature and stamp

Appendix G.3

**Confidentiality undertaking by the inspection team:**

I \_\_\_\_\_, ID. No./Passport No. \_\_\_\_\_,

Employee in \_\_\_\_\_ company/organization

Hereby declares and warrants before the Ministry of Tourism as follows:

1. Not to disclose, demonstrate, communicate, advertise, deliver, notify or bring to the knowledge of any person or entity commercial or professional secrets owned by the Ministry of Tourism, and any information that reached my knowledge in the framework of provision of the Services in accordance with the Agreement signed with the Ministry of Tourism in Public Tender No. 17/2012 to select a company for classifying hotels in Israel.
2. Not to make any use of the information as specified hereinabove, for any purpose other than the implementation of the work subject matter of the said Agreement, including duplications, photocopies and so on.
3. I am aware that failure to uphold my confidentiality undertaking in accordance with this declaration constitutes an offense in accordance with Chapter Seven of the Penal Law 5737-1977 (State Security, Foreign Relations and Official Secrets).
4. I am aware that revealing the information as said, without obtaining the Ministry's approval may cause the Ministry or other entities considerable damage.
5. I am aware that disclosing personal information that reaches to me to an unauthorized entity may constitute infringement of privacy, an offense in respect of which criminal charges may be filed against me in accordance with Section 5 of the Protection of Privacy Law 5741-1981.

And in witness hereof I am hereby undersigned:

Date	Name of the person performing inspections	Signature

## Appendix 3 of the Tender Documents

### Tourism Services (Hotels) Regulations, 5773-2012

By virtue of the authority vested in me under sections 3 (1)(b), (4) and (5), 5, 11,12 (c) , 20 and 24 of the Tourist Services Law, 5736-1976<sup>1</sup> (hereinafter – “the Law”, and with the approval of the Economic Committee of the Knesset, I hereby make these regulations

#### Definitions

1. In these regulations

-

“criteria” - the criteria for determining the classifications of the hotels, as specified in the **First Schedule**

“examiner” – a professional body that conducts an examination of hotels for purposes of determining a grading, according to criteria, as stipulated in regulation 6;

“hotel owner” – a person who is the owner of the hotel or who is in charge of managing the hotel;

“classification” – star classification determined for the hotel by the Officer in Charge as stipulated in regulation 7;

“temporary classification” – temporary star classification determined for the hotel by the Officer in Charge as stipulated in regulation 15.;

“the Organization” - the **Israel Hotel Association** which was recognized as a representative employers association under the Collective Agreements Law, 5717-1957;<sup>2</sup>

“Advisory Committee – an advisory committee for the Minister for purposes of grading in accordance with the these regulations, as stipulated in regulation 3;

“the Officer in Charge” – the person appointed by the Minister from among the workers of his office as the Officer in Charge of the hotels for purposes of these regulations;

“Objection Committee” – a committee for hearing the objection of a hotel to the decision of the Officer in Charge , as stipulated in regulation 12;

“personal interest” – including the personal interest of his relation or an interest of a body that a friend or relative are the managers or responsible workers therein, or an interest of a body in which each

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<sup>1</sup> S.H. 5736, p. 228

<sup>2</sup> S.H. 5717, p. 63

one of them holds a part of its share capital, in the right to receive profits, in the right to appoint a manager, or a voting right;

“relative” - spouse, parent, child, brother or sister, or another person financially dependent upon a member of the Advisory Committee or the Objections Committee, as well as a partner, employer or employee of a committee member;

“service” – accommodation or accommodation with breakfast;

“additional service” - breakfast, half-board, full-board, and other services given in the hotel”

“certificate” – a certificate given to the hotel specifying the grade determined for it by the Officer in Charge , drawn up in accordance with the **Second Schedule**

- |                            |    |   |
|----------------------------|----|---|
| Classifications of hotels  | 2. | The classifications of the hotel shall be determined according to the criteria  |
| Grading advisory committee | 3. | <p>(a) The Minister will appoint an advisory committee of five members consisting of:</p> <ul style="list-style-type: none"><li>(1) Two employees of the Ministry of Tourism, one of each gender, one of whom will be the legal advisor or his representative, and from whom the Minister shall appoint the chairman;</li><li>(2) Two members, one of each gender, recommended by the Organization,; should the Organization fail to recommend candidates for the Committee within twenty one working days from the date on which it received a request to do so from the Minister, the members will be appointed upon the recommendation of the Minister;</li><li>(3) A public representative of a consumers organization approved by the Minister of Justice under section 31( c ) of the Consumer Protection Law,<sup>3</sup> who has expertise in the field of hotel-keeping.</li></ul> <p>(b) A person who is liable on a frequent basis to be directly or indirectly in a position of conflicting interests between his position as a member of the Committee and his own personal interest of that of his relative, or another position that that he fills shall not serve as a member of the Advisory Committee.</p> <p>(c) A member of the Advisory Committee shall refrain from</p> |

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<sup>3</sup> , S.H. 5741, p. 248.

participation in a deliberation and from voting in the meetings of the Committee if the subject under discussion is liable directly or indirectly to place him in a position of conflicting interests between his position as a member of the Committee and his own personal interest of that of his relative, or another position that he fills.

- (d) The Committee will advise the Minister regarding these regulations, and this shall include giving him a recommendation on changes in the criteria; the Committee shall only give its recommendation on changes in the criteria after having given an opportunity to all those affected thereby to state their position on the subject
- (e) Once every six months the Officer in Charge shall provide the Advisory Committee with statistical data concerning applications submitted for a determination of a classification under these regulations, the granting of certificates and the refusal to grant them.

Activity of the advisory committee

- 4. (a) The chairman of the Advisory Committee shall convene its meetings on his own initiative, or at the request of the Minister or a request of two of its members, and he will determine their dates, their location, and their agenda. The convening of a meeting shall be no less than seven days from the date of the request
- (b) Three of the members of the Advisory Committee, among them the Chairman, shall constitute a legal quorum, and provided that if the position of a committee member becomes vacant, the Minister will appoint another member in his place within three months of that date
- (c) The Advisory Committee shall adopt its decisions by a majority of the votes of the members; in the event of a tie, the chairman shall decide.

Application to determine classification

- 5. A hotel owner interesting in the determination of the classification of his hotel, shall submit an application to the Officer in Charge, drawn up according to the **Third Schedule**, to which he shall attach:
  - (1) A document certified by a lawyer or an accountant attesting that the applicant is the owner or the manager of the hotel;
  - (2) A copy of the valid business license of the hotel.

Appointment of Examiner

- 6. (a) The Minister will appoint an examiner with experience in grading in accordance with the system defined by criteria

- (b) The examiner will conduct the examination of the hotels for the purpose of determining a classification, according to criteria.
- Determination of classification 7. (a) The Officer in Charge will give the application for determination of a classification to the examiner
- (b) The examiner will examine the level of the hotel according to the criteria and will transfer the results of his examination to the Officer in Charge, within six months of receiving the application; the Officer in Charge is entitled to extend the period for passing on the results of the examination concerning a particular hotel if he found a need to do so.
- (c) The Officer in Charge will determine the classification of the hotel in accordance with the results of the examination within 45 days of receiving it
- Granting certificate 8. (a) Where a classification was determined for a hotel in accordance with regulations 7,10, 13, or 14, as the case may be, the Officer in Charge shall notify the owner of the hotel of the classification determined for him and will send him a certificate for the classification determined.
- (b) The owner of the hotel will display the certificate in a prominent place next to the reception desk of the hotel
- Validity of classification 9. (a) The validity of the classification determined as stated will be for a period of three years.
- (b) The owner of the hotel will report to the Officer in Charge concerning any change in the business license of the hotel during the validity period of the classification
- Renewal of classification 10. (a) The owner of a hotel seeking to renew the classification at the end of the period of its validity will submit an application to that effect to the Officer in Charge no later than three months before the end of its validity period, in accordance with the form in the Third Schedule, and will attach to that application:
- (1) A document certified by a lawyer or an accountant attesting that the applicant is the owner or the manager of the hotel;
- (b) A copy of the valid business license of the hotel
- (b) The examination of the application and the determination of the classification shall be in accordance with regulation 7.

Objection to  
Officer in Charge  
's decision

11. (a) Where the Officer in Charge has determined a classification for a hotel or made another decision in accordance with these regulations, the hotel owner may submit an objection to his decision within 45 days of having received the notice of the Officer in Charge 's decision.
- (b) The objection shall be submitted to the Objection Committee in accordance with the form in the **Fourth Schedule** with a detailing of the reasons for the objection and shall attach thereto -
- (1) A document certified by an attorney or an accountant, attesting that the applicant is the owner of the hotel or the manager of the hotel;
  - (2) The classification certificate that was given to the hotel or the decision of the Officer in Charge concerning its determination;
  - (3) A copy of the Officer in Charge 's decision against which the objection was submitted

Objection  
Committee

12. (a) An objection committee shall be established in the Ministry of Tourism, comprising three members who are not members of the Advisory Committee, and they shall be:
- (1) a lawyer eligible to be appointed as a Magistrate's Court judge, to be appointed by the Minister of Justice, and he will be the chairman;
  - (2) a member who is a lawyer from among the workers of the legal department of the Ministry of Tourism, to be appointed by the Minister of Tourism.
  - (3) A member who is an expert in the field of hotel-keeping on the recommendation of the organization, to be appointed by the Minister of Tourism.
- (b) A person who is liable on a frequent basis to be directly or indirectly in a position of conflicting interests between his position as a member of the Committee and his own personal interest of that of his relative, shall not be appointed as a member of the Objection Committee nor shall he serve therein.
- (c) A member of the Objection Committee shall refrain from participation in a deliberation and from voting in the meetings of the Committee if the subject under discussion is liable directly or indirectly to place him in a position of conflicting interests between his position as a member of the Committee

and his own personal interest of that of his relative.

- (d) The legal procedures in accordance with which the Objection Committee will operate will be in the legal procedures of an administrative court, according to the Administrative Courts Law, 5752-1992.<sup>4</sup>
- (e) The Objection Committee may confirm the Officer in Charge 's decision, or change it, subject to condition or unconditionally.

Determination of classification following objection

13. Where the Objection Committee decided to change the classification determined by Officer in Charge , the Officer in Charge shall issue a new certificate for the hotel in accordance with the classification determined by the Committee within 45 days of receiving the decision.

Application to change classification

14. (a) The owner of a hotel wishing to change the classification of the hotel during the validity period of the classification, shall submit an application to that effect to the Officer in Charge in accordance with the form in the Third Schedule, attaching to it:
- (1) A document certified by an attorney or an accountant, attesting that the applicant is the owner of the hotel or the manager of the hotel;
  - (2) A copy of the valid business license of the hotel;
  - (3) The reasons for the application in writing.
- (b) The examination of the decision and the determination of the classification shall be in accordance with regulation 7.

Temporary classification

15. (a) The Officer in Charge is entitled to determine a temporary classification for the hotel in the manner in which the classification is determined in accordance with regulation 7, for one of the following:.
- (1) The hotel in his possession has a temporary license in accordance the Business Licensing Law, 5728-1968<sup>5</sup>, until the expiry of the validity of the temporary permit;
  - (2) The hotel owner submitted an application for the renewal of the classification at the end of the period prescribed therefore, and until the end of three months from the day of the expiry of the validity of the period determined for

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<sup>4</sup> S.H 5742, p. 90

<sup>5</sup> S.H. 5728\, p. 204.

him; the validity of the temporary classification shall not exceed six months

- (b) The validity of the temporary classification shall expire upon the determination of a classification for the hotel by the Officer in Charge or upon the passage of the period determined by the Officer in Charge for the temporary classification ,whichever the earlier

Cancellation of Classification

- 16. (a) The owner of a hotel seeking the cancellation of the classification determined for the hotel during its validity period, will submit an application to the effect to the Officer in Charge in accordance with the form in the **Fifth Schedule**, and will specify therein the reasons for the application and will attaché thereto a document certified by an attorney or an accountant, attesting that the applicant is the owner of the hotel or the manager of the hotel;
- (b) The Officer in Charge is entitled to cancel or to shorten the validity period of the classification

Powers of the Officer in Charge

- 17. (a) The Officer in Charge may warn the hotel owner, or cancel, or suspend the classification of the hotel in which one of the following occurred:
  - (1) In accordance the findings of the examiner, the level of the hotel is no longer suited to the classification determined for it, since it no longer complies with the criteria.
  - (2) According to the determination of the competent authority under the law, defects were discovered which may damage the health or safety of a visitor at the hotel
- (b) Written notice of the Officer in Charge 's decision to cancel or to suspend the classification of a hotel shall be given to the hotel owner, and he may submit an objection to it to the Objection Committee, in accordance with regulation 11.
- (c) Where the Objection Committee decided to cancel or suspend the classification of the hotel, the hotel owner may submit a written appeal against this decision to the Minister, as set forth in section 12 (c ) of the Law, within 30 days of receiving notice of the decision of the Objection Committee; the appeal will be set out in accordance with the wording of the **Sixth Schedule**, with the attachment of -
  - (1) A document certified by an attorney or an accountant, attesting that the applicant is the owner of the hotel or the

manager of the hotel;

- (2) The classification certificate given to the hotel or the decision of the Officer in Charge concerning its determination
- (3) A copy of the decision of the Objection Committee to cancel or to suspend the classification of the hotel.

Advertising and  
Misleading

18. (a) The Officer in Charge will publicize on the internet site of the Ministry of Tourism:
  - (1) the criteria;
  - (2) a list of the hotels which were classification and the classification given to each hotel;
  - (3) a list of the hotels that submitted an application for the determination of a classification and which have yet to be classified
  - (4) a list of the hotels the grading of which was cancelled;
  - (5) a list of the hotels that submitted an application to the Ministry of Tourism to be advertised but which have not been classified, provided that they have a business license
- (b) The advertisement shall be in Hebrew, English, and Arabic and the list shall be updated from time to time.
- (c) The owner of a hotel that was classified shall not advertise the hotel in a manner which implies that it is not classified
- (d) A person shall not include in a commercial advertisement for a hotel in Israel a classification in the star classification which is not the classification determined in accordance with these regulations; this provision shall not prevent a hotel that was classified according to these regulations to advertise in accordance with an internal classification of the network which it belongs to, provided that the classification shall not be in the form of star classification.
- (e) A hotel owner shall not advertise information which may be misleading in terms of the service or additional services provided by the hotel and its prices.

Presentation of  
Prices

19. (a) A hotel owner shall advertise a present in a prominent place and in clear and legible numbers:

- (1) The price of the service provided therein including any tax, fee and compulsory payment, and any additional payment that accompanies the service and which the consumer cannot forego (hereinafter – overall price) and the price for a foreign tourist after the reduction of taxes from which the tourist is exempt, indicating specifically and prominently that this price is specifically for a foreign tourist in any place where they are displayed
  - (2) The price of the additional service provided by the hotel – for each room and for any place in which it is provided;
  - (3) The menu including the specification of servings, meals, and drinks, with the price of each item appearing next to it, at any place in the hotel in which they are served
- (b) A price as stated in sub-regulation (a) may be presented in foreign currency, provided that it is also presented in New Shekels including Value Added Tax next to its price or separately on the board of prices.
  - (c) The provisions of this regulation with respect to the presentation of prices shall also apply to the specification of prices in the receipts given by the hotel.
  - (d) The prices of the service and the additional service presented in the hotel shall be advertised in Hebrew and in English
- |                                       |     |  |
|---------------------------------------|-----|--|
| Revocation                            | 20. | The Tourism Services (Hotel) Regulations 5761-2001 <sup>6</sup> (hereinafter – the previous regulations) shall be revoked as of the commencement date of these regulations.  |
| Commencement                          | 21  | The commencement date of these regulations shall be eight months after their publication.  |
| Transitional Provisions               | 22. | A hotel certificate granted to a hotel in accordance with the previous regulations shall remain valid until the determination of a grade in accordance with these regulations or until 12 months from the commencement date of these regulations, whichever the earlier. |
| First advertisement of classification | 23. | The first publication in accordance with regulation 18(a)(2) of hotels that were classified in accordance with an applications to determine grade that were submitted within 45 days of the commencement date of these regulations shall be on the same date             |

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<sup>6</sup> S.H. 5761, p. 249.

First Schedule  
(Regulation 1)

The Criteria

The classification of hotels in Israel is based on the system of the European HOTELSTARS organization that comprises 11 states (as of July 2012). The European system consists of 270 objective and professional criteria in accordance with which the classification of the hotel is determined. The principles of the system and the original criteria appear on the site <http://www.hotelstars.eu>

The criteria have been adjusted to the conditions of this country, and after the adjustment there are 267 criteria. The numbers of the criteria have remained the same as they were in the original system, some of the criteria have been removed, and the criteria that were added have been marked with the letter “a”

Criteria next to which the letter “M” appears are mandatory for the hotel to comply with as a condition for receiving the amount of points adjacent to it.

Next to each criterion there is an indication of the points to be credited to the hotel in the event of its fulfillment. The range of points goes from 1 to 25.

Criterion next to which there is a continuous grey rectangle is an alternative criterion. The hotel will be entitled to points for one alternative only, whichever the higher.

**Accumulation of Points and Determination of the Level of the Hotel:**

**One Star:** The hotel fulfills 42 criteria determined as mandatory for this level, and has accumulated at least 92 points according to the criteria.

**One Star Plus (Superior)** The hotel fulfilled all of the criteria determined as mandatory for one star and accumulated in excess of 170 points according to the criteria

**Two Stars:** The hotel fulfills 51 criteria determined as mandatory for this level, and has accumulated at least 170 points according to the criteria.

**Two Stars Plus (Superior)** The hotel fulfilled all of the criteria determined as mandatory for two stars and has accumulated in excess of 250 points according to the criteria

**Three Stars:** The hotel fulfills 81 criteria determined as mandatory for this level, and has accumulated at least 250 points according to the criteria.

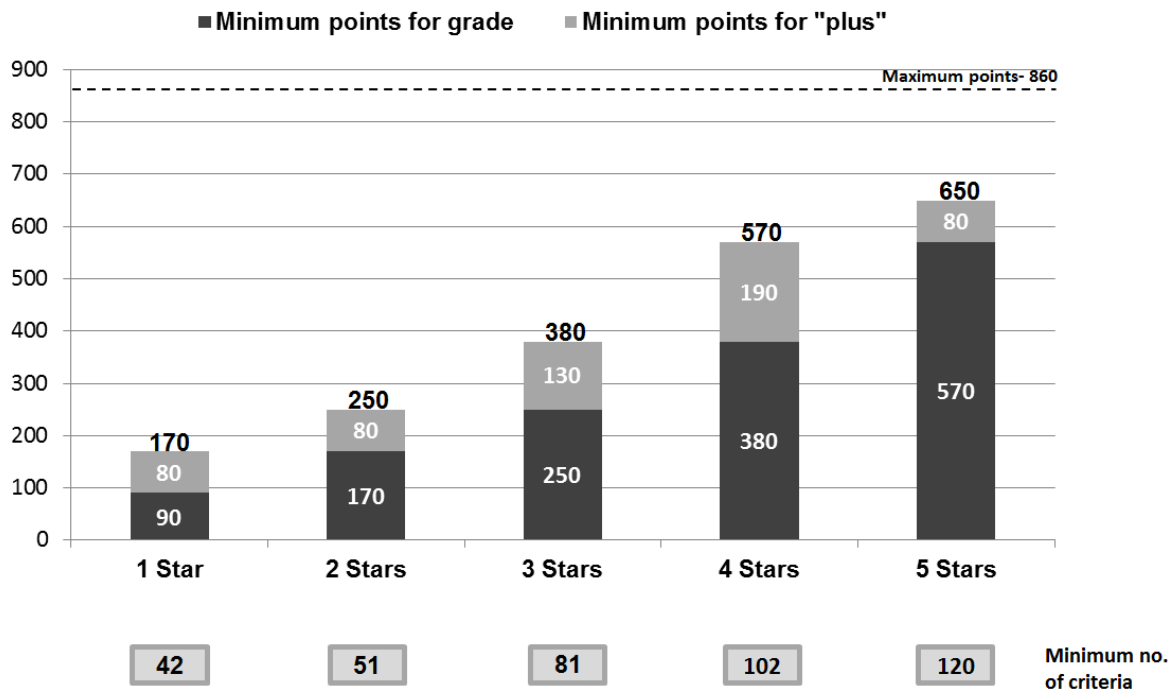
**Three Stars Plus (Superior)** The hotel fulfilled all of the criteria determined as mandatory for three stars and accumulated in excess of 380 points according to the criteria

**Four Stars:** The hotel fulfills 102 criteria determined as mandatory for this level, and has accumulated at least 380 points according to the criteria.

**Four Stars Plus (Superior)** The hotel fulfills all of the criteria determined as mandatory for four stars and has accumulated in excess of 570 points according to the criteria

**Five Stars:** The hotel fulfills 120 criteria determined as mandatory for this level, and has accumulated at least 570 92 points according to the criteria.

**Five Stars Plus (Superior)** The hotel fulfilled all of the criteria determined as mandatory for one star and accumulated in excess of 650 points according to the criteria



FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
<b>I. Building / Rooms</b>								
Cleanliness, hygiene	1	Proper Cleanliness and hygiene are basic conditions for each criterion	-	M	M	M	M	M
Care and Maintenance	2	All mechanisms and equipment are functional and in faultless condition	-	M	M	M	M	M
General impression	3	The general impression of the hotel complies with inspection requirements	-	Simple <sup>1</sup>	Middle <sup>2</sup>	Elevated <sup>3</sup>	High <sup>4</sup>	Highest <sup>5</sup>
Reception	4	Reception in a separate, independently functioning area. A single desk is sufficient.	1	M	M			
	5	The reception stand is separate and independent	3			M	M	M
Rooms	6	The area of the rooms (including bathroom area) > 14 m <sup>2</sup> <sup>6</sup>	10					
	7	The area of the rooms (including bathroom area) > 18 m <sup>2</sup> <sup>6</sup>	15					
	8	The area of the rooms (including bathroom area) > 22 m <sup>2</sup> <sup>6</sup>	20					
	9	The area of the rooms (including bathroom area) > 30 m <sup>2</sup> <sup>6</sup>	25					
	10	The area of the rooms (sanitary installations) > 5 m <sup>2</sup> <sup>6</sup>	10					

<sup>1</sup> In particular furnishing and equipment are appropriate and maintained.

<sup>2</sup> In particular furnishing and equipment are maintained and harmonized.

<sup>3</sup> In particular furnishing and equipment are constantly harmonized in form and color. The general impression is shaped by elevated comfort

<sup>4</sup> In particular furnishing and equipment are high-quality and offer first-class comfort. The optical general impression is constantly harmonized in form, color, and materials

<sup>5</sup> In particular furnishing and equipment are luxurious and offer highest comfort. The optical general impression is constantly harmonized in form, color, and

<sup>6</sup> If the hotel has a limited number of rooms (15 %) that are below this size, the guest must be informed before agreeing to / signing the accommodation contract.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Rooms	11	Number of suites <sup>7</sup>	2 points for each suite and maximum 6 points					At least 2 suites
	12	At least 50% of the rooms are no smoking rooms	3					
Public Area	14	Lounge / rest area for hotel guests (e.g. breakfast room or restaurant)	2					
	15	Appropriate seating arrangements in lobby	1			M		
	16	lobby with seating and beverages service	5				M	
	17	Spacious reception area, seating and beverage service	10					M
	17a	Place of prayer/assembly for religious purposes <sup>7a</sup>	4					
	18	Bar (open at least 6 days a week) <sup>8</sup>	4				M	
	19	Bar (open at least 7 days a week) <sup>8</sup>	6					M
Accessibility for disabled persons	20	Barrier Free - Category A <sup>9</sup>	5					
	21	Barrier Free - Category B <sup>10</sup>	8					
	22	Barrier Free - Category C <sup>11</sup>	5					
	23	Barrier Free - Category D <sup>12</sup>	5					
	24	Completely barrier free - Category E <sup>13</sup>	5					

<sup>7</sup> No "Junior suites". Suites consist of at least two separated rooms of which one is furnished as a bedroom and one as a living area. The separation does not have to exist in a door; a break through between two rooms is sufficient likewise. A holiday flat is not considered to be a suite. In order to ensure that guests can make full use of the hotel services the suites must be situated in the hotel building.

<sup>7a</sup> A room/hall of a size appropriate for a gathering of at least 10 people

<sup>8</sup> The "bar" mentioned above is more than a simple beverage service. It must be separated from the restaurant.

<sup>9</sup> Disabled persons include those who are partially dependent, are on a motorized wheel-chair or need assistance. Regulations are based on the requirements of Israeli law.

<sup>10</sup> Persons with motor disabilities and who permanently need a wheel-chair. Regulations are based on the requirements of Israeli law.

<sup>11</sup> Blind or visually handicapped persons. Regulations are based on the requirements of Israeli law.

<sup>12</sup> Persons who suffer from hearing problems or deafness. Regulations are based on the requirements of Israeli law.

<sup>13</sup> The points will be given if the hotel complied with the requirements of items 21 - 23. Regulations are based on the requirements of Israeli law

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Parking	25	Parking adjacent to hotel	3					
	26	Parking possibility for buses	1					
	27	Covered/underground parking area of hotel	5					
Others	28	Veranda and or balcony adjacent to room	2					
	29	Elevator <sup>14</sup>	15				M	M
<b>II Furniture/ Equipment</b>								
Sanitary Comfort	30	100% of the rooms with showers/WC or Bath tub/WC	1	M <sup>15</sup>	M <sup>15</sup>	M	M	M
	31	100% of the rooms with showers/WC or bath tub/WC and thereof 50% with bath tub and separate shower cubicle	10					
	32	30% of the rooms equipped with separate toilet	5					
	33	Shower /bathroom unit with curtain <sup>16</sup>	1	M	M	M	M	M
	34	washbasin	1	M	M	M	M	M
	35	Twin-washbasin/sinks in double rooms	5					
	36	Twin sinks/washbasin in suites	2					
	37	Washable bathroom rug	1		M	M	M	M
	38	Appropriate lighting at sink/washbasin	1	M	M	M	M	M
	39	Mirror	1	M	M	M	M	M
	40	Electricity socket near mirror	1	M	M	M	M	M
	41	Vanity mirror	1					
	42	Flexible vanity mirror	2				M	M
	43	Lighted vanity mirror	1					
44	Towel rails or towel hooks	1	M	M	M	M	M	

<sup>14</sup> If more than three floors (incl. ground floor).

<sup>15</sup> Are at a maximum 15 % of the rooms not equipped with private shower/WC, only with shower/WC on the floor, the guest must be informed before the conclusion of the accommodation contract about falling below the standard.

<sup>16</sup> If the washing room is constructed with a separation between the sanitary facilities and the toilet, the existence of a shower curtain or shower screen is not necessary.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****	
Sanitary Comfort	47	Shelf	1	M	M	M			
	48	Large shelf	3				M	M	
	49	Toothbrush tumbler	1	M	M	M	M	M	
	50	Soap or body wash	1	M	M	M	M	M	
	51	Bath essence or shower gel	1		M	M	M	M	
	52	Shampoo <sup>18</sup>	1			M	M	M	
	53	Personal care products in flacons	2					M	
	54	Additional cosmetic products (e.g. shower cap, nail file, cotton swabs, cotton wool pads, body lotion)	1 point for each item, and at the most 3 points					M	M
	55	Cleansing tissue	2			M	M	M	
	56	Toilet paper in reserve	1	M	M	M	M	M	
	57	One hand towel per person	1	M	M	M	M	M	
	58	One bath towel per person	2		M	M	M	M	
	59	One bath robe on demand	2				M		
	60	Bath robe	4					M	
	61	Slippers on demand	1				M		
	62	Slippers	3					M	
	63	Hair-dryer on demand	1						
64	Hair-dryer	2			M	M	M		
65	Stool in bathroom	3					M		
66	Bathroom scales	1							
67	Waste bin	1	M	M	M	M	M		
Sleeping Comfort	68	Single beds on the scale of min. 0.80 m x 1.90 m and double beds on the scale of min. 1.60 m x 1.90 m <sup>19 19a</sup>	5						

<sup>18</sup> This criterion will be fulfilled if the bath soap essence or shower gel is also usable as shampoo.

<sup>19</sup> If there are two single beds or one queen size bed (1.50m x 2.00m) instead of one double bed, the guest must be informed before the conclusion of the accommodation contract about said standard falling below standard.

<sup>19a</sup> Four years after the publication of the regulations, the criterion will change so that the points will be given to a single bed 0.90m x 1.90m and a double bed the size of 1.80m x 1.90m, as per the criterion of Hotelstars. And this criterion will become compulsory for hotels at levels of 1 – 3 stars.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Sleeping Comfort	69	Single beds on the scale of min. 0.90 m x 2.00 m and double beds on the scale of min. 1,80 m x 2,00 m <sup>19 19b</sup>	10					
	70	Single beds on the scale of min. 1,00 m x 2,00 m and double beds on the scale of min. 2.00 m x 2,00 m <sup>19</sup>	15					
	71	10% of the beds with a length of min. 2.10m	5					
	72	Modern and well-kept mattresses of minimum 13 cm thickness	1	M	M	M	M	M
	73	Hygienic covers for mattresses ("Encasings") <sup>20</sup>	10					
	74	Thorough cleansing of the mattresses at least every two years (The certificate has to be added to the application) <sup>21</sup>	10					
	75	Crib upon demand	3					
	76	Washable bedside carpet	3					M
	77	Wake up device (for wake up calls see 207)	1	M	M	M	M	M
	78	Modern and well-kept blanket	1	M	M	M	M	M
	79	Modern and well-kept pillow	1	M	M	M	M	M
	80	Hygienic covers for pillows (encasings)	3					
	81	Additional pillow on demand	1			M	M	
	82	Two pillows per person	4					M
	83	Various choice of pillows <sup>22</sup>	4				M	M
84	Additional blanket on demand	2			M	M	M	
85	Possibility to darken room (e.g. curtain)	1	M	M	M	M		

<sup>19b</sup> Four years after the publication of the regulations, this criterion will become compulsory for hotels at levels of 4 - 5stars

<sup>20</sup> A simple molleton-sheet is not accepted. But a (chemo thermal) washable, breathable, free from mites and their excrements bedcover made of cotton or synthetic materials that is opened at the bottom side will fulfill this criterion.

<sup>21</sup> This criterion is fulfilled, if there is no residual moistness and the mites are killed and their growth is eliminated.

<sup>22</sup> The guest can choose among different types of pillows

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Sleeping Comfort	86	Possibility to blacken room completely (shutter or blackout)	5					M
Room Equipment	87	Adequate wardrobe or clothes niche	1	M	M	M	M	M
	88	Linen shelves	1		M	M	M	M
	89	Adequate number of hangers <sup>23</sup>	1	M	M	M	M	M
	90	Wardrobe or clothing hooks	1	M	M	M	M	M
	91	Possibility to hang up a suit bag	1			M	M	M
	92	1 chair	1	M	M			
	93	A seat per bed, or other furniture designed for sitting	2			M	M	M
	94	1 comfortable seat (upholstered chair/couch) with side table/tray	4				M	M
	95	1 additional comfortable seating accommodation (upholstered chair or twin couch) in double rooms or suites	4					M
	96	Table, desk or desk top	1	M	M			
	97	Table, desk or desk top with a free working space of min. 0.5 m and an appropriate lighting	5			M	M	M
	98	Power socket in room	1	M	M	M	M	M
	99	Additional power socket next to the table, desk or desk top	2			M	M	M
	100	Appropriate room lighting	1	M	M	M	M	M
	101	Bedside table/tray	2			M	M	M
102	Reading light next to bed	2		M	M	M	M	
103	Central power button for the room lighting	3						
104	Bedside power button for the room lighting	2						
105	Bedside power button for the complete room lighting	3					M	

<sup>23</sup> Simple wired hangers do not fulfill this criterion

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Room Equipment	106	Power socket next to bed	1			M	M	M
	107	Dressing mirror	2			M	M	M
	108	Place to put luggage/suitcase	1			M	M	M
	109	Waste paper basket	2			M	M	M
Deposit of valuables	110	Deposit option (e.g. at the reception)	1	M	M			
	111	Central safe (e.g. at the reception)	3			M <sup>24</sup>	M <sup>24</sup>	M
	112	Safe in the room	6			M <sup>25</sup>	M <sup>25</sup>	M
Noise control/air conditioning	114	Appropriate noise control of windows	8					M
	115	Sound absorbing doors or double doors	8					
	116	Rooms with central adjustable air conditioning	8			M	M	
	117	Rooms with individual adjustable air conditioning	15					M
	118	Air conditioning of public guest areas (restaurant, lobby, entrance hall, breakfast room)	4					
	119	Coordinated room atmosphere (light, smell, music, color, etc.) in the public areas	4					
Entertainment electronics	120	Radio <sup>26</sup>	1			M	M	M
	121	CD/ DVD / MP-3, or docking station	2					
	122	Loudspeaker in bathroom	2					
	123	Color TV together with remote control	2	M	M			
	124	Color TV of a size appropriate to the room, together with remote control and a channel guide	4			M		

<sup>24</sup> Or a safe in the room (see no. 112)

<sup>25</sup> Or a central safe (e.g. at the reception see no. 111).

<sup>26</sup> The radio reception can also be organized via TV or a central telecommunication system of the hotel.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Entertainment electronics	125	Color TV of a size appropriate to the room, together with remote control and a channel guide and a TV guide.	6				M	M
	126	Additional color TV in suites of a size appropriate for the room	2					
	127	Satellite - / DVB - Tor cable television in the room <sup>27</sup> .	2					
	128	Pay-TV or videogames with the possibility to lock to avoid use by children	5					
Telecommunications	129	Facsimile at the reception	1	M	M	M	M	M
	130	Publically available telephone for guests	1	M	M	M	M	M
	131	On demand telephone in room along with multilingual instruction manual <sup>28</sup>	3			M		
	132	Telephone on the room along with a multilingual instruction manual	8				M	M
	133	Internet access in the public area (e.g. broadband, WLAN)	2			M <sup>29</sup>	M	M
	134	Internet access in the room (e.g. broadband, WLAN)	8			M <sup>30</sup>	M	M
	135	Accessible internet terminal for the use of guests	5				M	
	136	Internet- P.C. or laptop or tablet in the room on demand	1					M
Miscellaneous	137	Internet- P.C. in the room.	3					
	138	Hotel information (the hotel information has to be added to the application) <sup>31</sup>	1	M	M			
	139	Service manual A-Z (the service manual A-Z has to be added to the application)	2			M		

<sup>27</sup> Broadcast of digital television channels that can be received by an indoor aerial and a DVB-T set top box (decoder).

<sup>28</sup> The guest must be informed about this offer during the *check-in*

<sup>29</sup> Or internet access in the room (see no. 134).

<sup>30</sup> Or internet access in the public area (see no. 133).

<sup>31</sup> This hotel information includes at least the period of breakfast, the *check-out* time, and the opening hours of hotel facilities

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Miscellaneous	140	Multilingual service manual A-Z the service manual A-Z has to be added to the application	3				M	M
	141	Regional information material available at the reception	1	M	M	M	M	M
	142	Daily newspaper in the room	3					
	143	Guest magazine in the room	1					M
	144	Writing materials and notepad	1			M	M	M
	145	Correspondence folder	1				M	M
	146	Trouser press, or ironing board and iron	3					
	147	Laundry bag	1			M	M	M
	148	Sewing kit on demand	1			M <sup>32</sup>		
	149	Sewing kit in the room	2				M	M
	150	Shoehorn in the room	1					M
	151	Shoe polish utensils on demand	1			M <sup>33</sup>		
	152	Shoe polish utensils in the room	2				M	M
	153	Shoe polish utensils in the hotel	3			M <sup>34</sup>	M <sup>35</sup>	M <sup>35</sup>
	154	Door viewer	2					M
155	Additional locking mechanism for room door	3						
<b>III Services</b>								
Cleaning of rooms/ change of laundry	156	Daily cleaning of room	1	M	M	M	M	M
	157	Daily change of towels on demand	1	M	M	M	M	M
	158	Change of bed linen at least once a week	1	M	M	M		
	159	Change of bed linen at least twice a week	2				M	M
	160	Daily change of bed linen on demand	4				M	M

<sup>32</sup> Instead of a sewing kit on demand a sewing service (see 212) can be offered as well.

<sup>33</sup> Instead of the shoe polish utensils on demand there can also be a shoe polish service offered (see no. 213). A shoe polish machine in the hotel (see no. 153) does also fulfill this criterion

<sup>34</sup> Instead of the shoe polish machine in the hotel there can also be offered a shoe polish service (see no. 213). A shoe polish utensils in the room (see no. 152) does also fulfill this criterion.

<sup>35</sup> Instead of shoe polish machine in the hotel, there can also be offered a shoe polish service (see no. 213)

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Beverages	161	Beverage offer in hotel	1	M	M			
	162	Beverage dispenser /beverage station in hotel	1					
	163	Beverage offer in room	2			M	M	M
	164	16 hours beverages via room service	2					
	165	24 hours beverages via room service	4				M <sup>36</sup>	M
	166	Minibar	5				M <sup>37</sup>	M
	167	Coffee machine or water boiler for warm drinks	4					
Breakfast	168	Breakfast <sup>38</sup>	1	M				
	169	Breakfast buffet or equivalent breakfast menu <sup>39</sup>	2		M	M		
	170	Breakfast buffet with service or equivalent breakfast menu card via <i>room service</i>	5				M	M
	171	Breakfast menu card service via <i>room service</i>	2					M
Food	172	Lunch time for at least two hours	2					
	173	Dinner time for at least three hours	2					
	174	Three course menu or "a la carte" or buffet	1	M	M			
	175	Three course menu with choice or "a la carte" or buffet	2			M	M	M
	176	Food offer via room service until 22.00	5				M	
	177	Food offer via room service for 24 hours	10					M

<sup>36</sup> Or minibar (see no. 166).

<sup>37</sup> Or 24 hours beverages via *room service* (see no. 165).

<sup>38</sup> An extended breakfast includes at least one hot beverage (e.g. coffee or tea), a fruit juice, some fruits or fruit salad, a choice of bread and rolls with butter, jam, and cheese.

<sup>39</sup> Self-service offer with at least the same choice of products as within criteria no. 168 with an egg or an egg-plate and muesli

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Food	178	Restaurant open at least 5 days a week <sup>40</sup>	5 points for each, maximum 10 points	M (one at least)	M (one at least)	M (one at least)	M (one at least)	
	179	"À la carte"-restaurant opened at least 6 days a week <sup>40</sup>	8 points for each and max. 16 points					
	180	"À la carte"-restaurant opened at least 7 days per week <sup>40</sup>	10 points for each and max. 20 points					M (one at least)
	181	Dietary-kitchen (dietary skilled cook, dietician or nutrition Scientist)	2					
	182	Regional kitchen <sup>41</sup>	4					
Reception	183	Reception service, accessible by telephone from inside and outside	1	M	M			
	184	Reception opened 14 hours, accessible by phone 24 hours from inside and outside	3			M		
	185	Reception opened 18 hours, accessible by phone 24 hours from inside and outs	4				M	
	186	Reception opened 24 hours, accessible by phone 24 hours from inside and outside	6					M
	187	Bilingual staff ( Hebrew; English)	2			M	M	
	188	Multilingual staff (Hebrew, English and at least one more foreign language)	4					M
	189	Photocopier or the possibility to get photocopies	2				M	M
	190	Doorman-service or valet parking	4					M

<sup>40</sup> Each of them with a different concept, choice of food, and location. Due to Kashrut issues in Israel, food will be served buffet style on Saturdays. However, a limited menu should be available upon request (heated food which was prepared before Saturday).

<sup>41</sup> The menu card features a significant part of regional/national specialties. The used products are by the majority from the region

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
	191	Valet Parking (for each of the items 191-194 a separate staff person)	15					
Reception	192	Doorman (for each of the items 191-194 a separate staff person)	15					
	193	Concierge (for each of the items 191-194 a separate staff person)	15					M
	194	Page boy (each of the items 191-194 a separate staff person)	15					M
	195	Luggage service on demand	2			M	M	
	196	Luggage service	5					M
	197	Secure left-luggage service for arriving or departing Guests	5				M	M
Laundry and ironing service	198	Chemical cleaning/dry-cleaning (delivery before 9.00am, return within 24 hr) <sup>41a</sup>	1					
	199	Chemical cleaning/dry-cleaning (delivery before 9.00am, return within 12 hr) <sup>41a</sup>	2					
	200	Ironing service <sup>41a</sup> (return within 1 hr)	2					M
	201	Laundry and ironing service (return as agreed) <sup>41a</sup>	1			M		
	202	Laundry and ironing service (delivery before 9 am, return on the same day – weekend excluded) <sup>41a</sup>	2				M	
	203	Laundry and ironing service (delivery before 9 am, return within 10h) <sup>41a</sup>	4					M
Payment	204	Credit cards	2		M <sup>43</sup>	M <sup>42</sup>	M	M

<sup>41a</sup> Because of the Sabbath observance in Israel, the service will only be provided on Sundays –Thursdays.

<sup>42</sup> Or debit cards (see no. 205).

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Payment	205	Debit cards (e.g. electronic cash or debit advice procedure)	2		M <sup>44</sup>	M <sup>43</sup>	M <sup>43</sup>	M <sup>43</sup>
Miscellaneous	206	Professional support for in-house IT	2				M	M
	207	Wake-up call (for wake-up call device see no. 77)	2					
	208	Umbrella at reception/in the room	1					
	209	Sale of tickets or ticket service at the reception (e.g. for theatre, cinema)	1					
	210	Up-to-date magazines	1					M
	211	Daily newspapers	2				M	M
	212	Sewing service	2				M	M
	213	Shoe polish service	2			M <sup>45</sup>	M <sup>46</sup>	M
	214	Shuttle or limousine service	2					M
	215	Offer of sanitary products (e.g. toothbrush, toothpaste, shaving kit)	2		M	M	M	M
	216	Banquet options for at least 50 persons <sup>47</sup>	2					
	217	Banquet options for at least 100 persons <sup>46</sup>	4					
	218	Banquet options for at least 250 persons <sup>46</sup>	8					
	219	Personalized greeting for each guest with fresh flowers or a present in the room (not only a welcome message on the TV-screen)	6					M
	220	Accompanying the guest to the room at the arrival	2					
221	Turndown service in the evening as an additional room check <sup>48</sup>	10					M	

<sup>43</sup> Or credit cards (see no. 204).

<sup>44</sup> Instead of a shoe polish service there can be offered a shoe polish machine in the hotel (see no. 153). Shoe polish utensils in the room are also equivalent (see no. 152).

<sup>45</sup> Instead of a shoe polish service there can be offered a shoe polish machine in the hotel (see no. 153).

<sup>46</sup> The surface of the restaurant is not included

<sup>47</sup> Also called *Second service*. Change of the towels, removal of the coverlet, exhaustion of the waste paper basket etc.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
	222	Secretary service (separate office and available staff)	3					
Miscellaneous	223	Conference service (separate department, separate staff; points only if at least one of the criteria 253 255 – is fulfilled)	5					
	223 A	Authorized and licensed security officer, 24 hours a day, 7 days a week	6					
<b>IV LEISURE</b>								
House Equipment and facilities	224	Reading and writing room (separate location)	1					
	225	Library (separate location)	2					
	226	Children's area (playroom/playground)	4					
	227	Fitness room with at least four different exercise machines (e.g. ergometer, dumb bell, machine for weight training, treadmill, rowing machine, stairmaster) <sup>49</sup>	4					
Spa/Beauty care <sup>50</sup>	229	Massage (e.g. full body massage, lymph drainage, Shiatsu, foot reflexology) <sup>51</sup>	2 points and at the most 6 points					
	230	Separate relaxation room <sup>52</sup>	3					
	231	Jacuzzi	3					
	232	Sauna (with a minimum size of 6 seats)	5 points for each kind of sauna and at the most 15 points <sup>53</sup>					
	233	Beauty farm if there are offered at least 4 different beauty treatments (e.g. facial, manicure, pedicure, peeling, stress relaxation massage) <sup>54</sup>	5					

<sup>48</sup>The fitness room has a minimum size of 20m<sub>2</sub>.

<sup>49</sup> The spa area has to be reachable without crossing the conference or the restaurant area.

<sup>50</sup> The cabins have a minimum size of 10 sq. m<sub>2</sub>.

<sup>51</sup> The relaxation room has a minimum size of 20 m<sub>2</sub>

<sup>52</sup> Sauna types: "hot/dry" (e.g. Finnish sauna), "warm/easily rheumy" (e.g. Tepidarium), or "warm/heavily rheumy" (e.g. steam room).

<sup>53</sup> The cabins have a minimum size of 10m<sub>2</sub>.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Spa/Beauty care <sup>55</sup>	234	Bath/wading pool section if there are offered at least 4 different treatments (e.g. bath, hydrotherapy, sauna, mud treatment, hammam) <sup>56</sup>	5					
	235	Swimming pool (outside) <sup>57</sup> or swimming pond <sup>58</sup>	17					
	236	Swimming pool (inside) <sup>59</sup>	11					
Miscellaneous	237	Hosting / Entertainment program	3					
	238	Babysitter on demand	1					
	239	In-house child care (for children younger than three years) for at least 3 hours on weekdays by skilled staff	10					
	240	In-house child care (for children older than three years) for at least 3 hours on weekdays by skilled staff	10					
	241	Rental of sports equipment (e.g. skis, boats, bicycles)	2					
	242	Lawn or sunbathing area owned by hotel	4					
<b>V. Arrangement of Offer</b>								
	243	Systematic complaint management system <sup>60</sup>	3			M	M	M
	244	Systematic guest questioning <sup>61</sup>	5				M	M
	245	<i>Mystery guesting</i> (A proof has to be added to the application.) <sup>62</sup>	15				M <sup>63</sup>	M

<sup>54</sup> The cabins have a minimum size of 10m<sub>2</sub>.

<sup>55</sup> The outside swimming pool is heated and has a minimum size of 60m<sub>2</sub>.

<sup>56</sup> A swimming pond is a man-made, standing water body for swimming or bathing without chemical water treatment.

<sup>57</sup> The inside swimming pool is heated and has a minimum size of 40 m<sub>2</sub>.

<sup>58</sup> A systematic complaint management system includes structured complaint acceptance, evaluation, and response.

<sup>59</sup> An active and systematic gathering and evaluation of guest opinions about the quality of the hotel's services, analysis of weaknesses, and the implementation of recommendations for improvement.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
	246	Quality management system according EHQ step 1 ("Q") <sup>64</sup>	4					
	247	Quality management system according EHQ step 2 ("QQ") <sup>62</sup>	6					
	248	Quality management system according EHQ step 3 ("QQQ") <sup>62</sup>	10					
	249	Homepage with meaningful, realistic pictures of the hotel <sup>65</sup>	5			M	M	M
	250	Online reservation via electronic reservations systems possible <sup>66</sup>	5					
	251	A direction/hotel location map available to guests upon request or via the internet	1		M	M	M	M
	252	Invitation to departing/departed guests to write a review on a portal or on the homepage	5					
<b>VI. In-house conference facilities</b>								
Rooms	253	Conference room(s) of at least 36 m <sup>2</sup> to 100 sq. ceiling height of at least 2.50 m	5					
	254	Conference room(s) larger than 100 sq. , ceiling height of at least 2.75 m	8					
	255	Conference room(s) larger than 250 sq. , ceiling height of at least 3.00 m	10					
	256	Conference office/typing services <sup>67</sup>	1					
	257	Group work rooms <sup>65</sup>	4					

<sup>60</sup> In order to receive points for this criterion, the examination must be done at least once during a classification period, by professional externals upon initiative and on the account of the hotel, analyzed and documented. Hidden (internal) controls e.g. of the hotel chain or co-operation are accepted as equivalent.

<sup>61</sup> Use of a mystery guest is a minimum criterion in the 4-stars-superior-sector.

<sup>62</sup> European Hospitality Quality (EHQ) is the European Hospitality Quality scheme launched by HOTREC, the Confederation of National associations of hotels, restaurants, cafés, and similar establishments in Europe (cf. [www.hotrec.eu](http://www.hotrec.eu)). It serves as a reference model at European level for national and regional quality schemes. E.g. the initiative "ServiceQualität Deutschland" (cf. [www.servicequalitaet-deutschland.de](http://www.servicequalitaet-deutschland.de)) is accredited in its entirety.

<sup>63</sup> At least exterior view, public area and room.

<sup>64</sup> A simple e-mail is not accepted.

<sup>65</sup> Acceptance only if at least one of the criteria 253 - 255 is fulfilled.

FIELD	No.	Criteria	Points	One Star *	Two Stars **	Three Stars ***	Four Stars ****	Five Stars *****
Telecommunication/media	258	Telephone <sup>65 68</sup>	1					
	259	Internet access (e.g. broadband/WLAN) <sup>65</sup>	2					
	260	Data projector <sup>65 66</sup>	2					
	261	Workshop material;	1					
	262	3 pin boards per conference room <sup>65</sup> /meetings room (board with drawing pins, erasable board, board for chalk) <sup>65 66</sup>	1					
	263	1 flip chart per conference room <sup>65 66</sup>	1					
Equipment /technology	264	Projection screen (appropriate to the ceiling height and room size, at least 1,50 x 1,50 m) <sup>65 66</sup>	1					
	265	Coat rack or locker in the conference room/meetings room <sup>65 66</sup>	1					
	266	Speaker's desk <sup>65</sup>	1					
	267	At least 8 power sockets, extension cable, and power distribution <sup>65</sup>	1					
	268	Daylight in the conference room and possibility to darken the room <sup>65 66</sup>	3					
	269	Appropriate lighting as needed <sup>67</sup>	2					
	270	Individual adjustable air conditioning of the conference rooms <sup>65</sup>	3					

<sup>66</sup> Obligatory for each conference hall / meetings room.

<sup>67</sup> Installed luminaries with at least 300 lux. From 100 m : the lighting must be dimmable or segmentally shiftable. Acceptance only if at least one of the criteria 253-255 is fulfilled.

Second Schedule  
(Regulation 1)  
Sample Certificate



State of Israel



Rating of 5 stars superior

דרגת 5 כוכבים פלוס

Is given to Hotel:

ניתנה למלון:

Address:

כתובת:

Issued on:

ניתנה ביום:

Valid until:

בתוקף עד:

This certificate is granted by the Officer  
in Charge according to the Tourism  
Services Regulations (Hotels), 2012-5773

תעודה זו ניתנה על ידי הממונה  
לפי תקנות שירותי תיירות  
(בתי מלון), התשע"ג-2012

הממונה על בתי מלון  
Officer in charge



**Third Schedule  
(Regulations 5, 10 and 14)**

To  
Officer in Charge of Hotels  
5 Bank of Israel St.  
P.O.B. 1018 Jerusalem 91009

Application to Determining the Classification of the Hotel  
(according to Tourism Services (Hotels) Regulations 5773-2012)

**1. Category of Application**

- Application for determination of classification (according to regulation 5)
- Application for renewal of classification (according to regulation 10)
- Application to change classification (according to regulation 14)

**2. Details of the Applicant**

Name of applicant:	I.D. number:	Telephone
Electronic mail	Private Address:	
Is the applicant the owner or the manager of the hotel forming the subject of the application? Yes/No Attach a document attesting to this from a lawyer or an accountant)		

**3. Particulars of the Hotel**

Name of the Hotel (Hebrew)	Name of the Hotel (English)	
Town	Private Address:	
Telephone:	Fax:	Email
Date of Construction	Number of rooms	Internet site:

**4. Licensing**

Does the hotel have a business license? Yes/No (if so, attach copy of license)
Does the hotel have a temporary permit Yes/No (if so, attach copy of temporary permit)

**5. Classification**

Does the hotel have a classification ? Yes/ No	
If so – what is the hotel's classification ?	When was it given:
In an application for change of classification – what is the reason for the application for a change _____	

**6. The following documents shall be attached to the application**

- (1) A document certified by a lawyer or an accountant attesting that the applicant is the owner or the manager of the hotel;
- (2) A copy of the valid business license of the hotel;
- (3) Reasons for the application in writing.

**7. I declare and undertake that:**

- I will report to the Officer in Charge of any change in the business license of the hotel
- The hotel will cooperate with the Officer in Charge and his representatives in any matter relating to the classification proceeding.
- The hotel will display a certificate indicating its classification in a prominent place next to the reception desk

▣ The hotel will not present itself at a star classification which differs from the one determined for it in accordance with these regulations

8. **I hereby declare that the details given by me in this application form according to the Tourism Services (Hotels) Regulations 5773-2012 are correct and complete**

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

Signature and Stamp: \_\_\_\_\_

**Fourth Schedule**  
(Regulation 11)

To  
Officer in Charge of Hotels  
5 Bank of Israel St.  
P.O.B. 1018 Jerusalem 91009

Objection to the Decision of the Officer in Charge  
(according to Tourism Services (Hotels) Regulations 5773-2012)

**1. Details of the Applicant**

Name of applicant:	I.D. number:	Telephone
Electronic mail	Private Address:	
Is the applicant the owner or the manager of the hotel forming the subject of the application? Yes/No		
Attach a document attesting to this from a lawyer or an accountant)		

**2. Particulars of the Hotel**

Name of the Hotel (Hebrew)	Name of the Hotel (English)	
Town	Private Address:	
Telephone:	Fax:	Email
Date of Construction	Number of rooms	Internet site:

**3. Classification**

What is the classification of the hotel?	When was it given?
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**4. Decision of Officer in Charge**

When was the decision given?
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**5. Reasons for the Objection**

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**6. The following documents shall be attached to the application**

- (1) A document certified by a lawyer or an accountant attesting that the applicant is the owner or the manager of the hotel;
- (2) A certificate of the classification given to the hotel or the decision of the Officer in Charge that determined it;
- (3) A copy of the decision of the Officer in Charge against which the objection is submitted.

**6. I hereby declare that the details given by me in this application form according to the Tourism Services (Hotels) Regulations 5773-2012 are correct and complete**

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

Signature and Stamp: \_\_\_\_\_

**Fifth Schedule**  
**(Regulation 16)**

To  
Officer in Charge of Hotels  
5 Bank of Israel St.  
P.O.B. 1018 Jerusalem 91009

**Objection to Cancel Classification**  
(according to Tourism Services (Hotels) Regulations 5773-2012)

**1. Details of the Applicant**

Name of applicant:	I.D. number:	Telephone
Electronic mail:	Private Address:	
Is the applicant the owner or the manager of the hotel forming the subject of the application? Yes/No Attach a document attesting to this from a lawyer or an accountant)		

**2. Particulars of the Hotel**

Name of the Hotel (Hebrew)	Name of the Hotel (English)	
Town	Private Address:	
Telephone:	Fax:	Email
Date of Construction	Number of rooms	Internet site:

**3. Classification**

What is the classification of the hotel?	When was it given?
What is the date of the termination of the validity of the classification?	

**4. Reasons for the Application to Cancel Classification before the Termination of the Validity Period**

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**5. The following documents shall be attached to the application**

(1) A document certified by a lawyer or an accountant attesting that the applicant is the owner or the manager of the hotel;

**6. I hereby declare that the details given by me in this application form according to the Tourism Services (Hotels) Regulations 5773-2012 are correct and complete**

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

Signature and Stamp: \_\_\_\_\_

**Sixth Schedule**  
**(Regulation 17)**

To  
Officer in Charge of Hotels  
5 Bank of Israel St.  
P.O.B. 1018 Jerusalem 91009

Objection to the Decision of the Objection Committee to Cancel or Suspend the Classification of  
a Hotel  
(according to Tourism Services (Hotels) Regulations 5773-2012)

**1. Details of the Applicant**

Name of applicant:	I.D. number:	Telephone
Electronic mail:	Private Address:	
Is the applicant the owner or the manager of the hotel forming the subject of the application? Yes/No Attach a document attesting to this from a lawyer or an accountant)		

**2. Particulars of the Hotel**

Name of the Hotel (Hebrew)	Name of the Hotel (English)	
Town	Private Address:	
Telephone:	Fax:	Email
Date of Construction	Number of rooms	Internet site:

**3. Classification**

What is the classification of the hotel?	When was it given?
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**4. Decision of the Objection Committee**

When was the decision of the Objection Committee given?
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**5. Reasons for the Appeal**

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**6. The following documents shall be attached to the application**

- (1) A document certified by a lawyer or an accountant attesting that the applicant is the owner or the manager of the hotel;
- (2) A certificate of the classification given to the hotel or the decision of the Officer in Charge that determined it;
- (3) A copy of the decision of the Officer in Charge against which the objection is submitted.

**7. I hereby declare that the details given by me in this application form according to the Tourism Services (Hotels) Regulations 5773-2012 are correct and complete**

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

Signature and Stamp: \_\_\_\_\_

5773- 2012

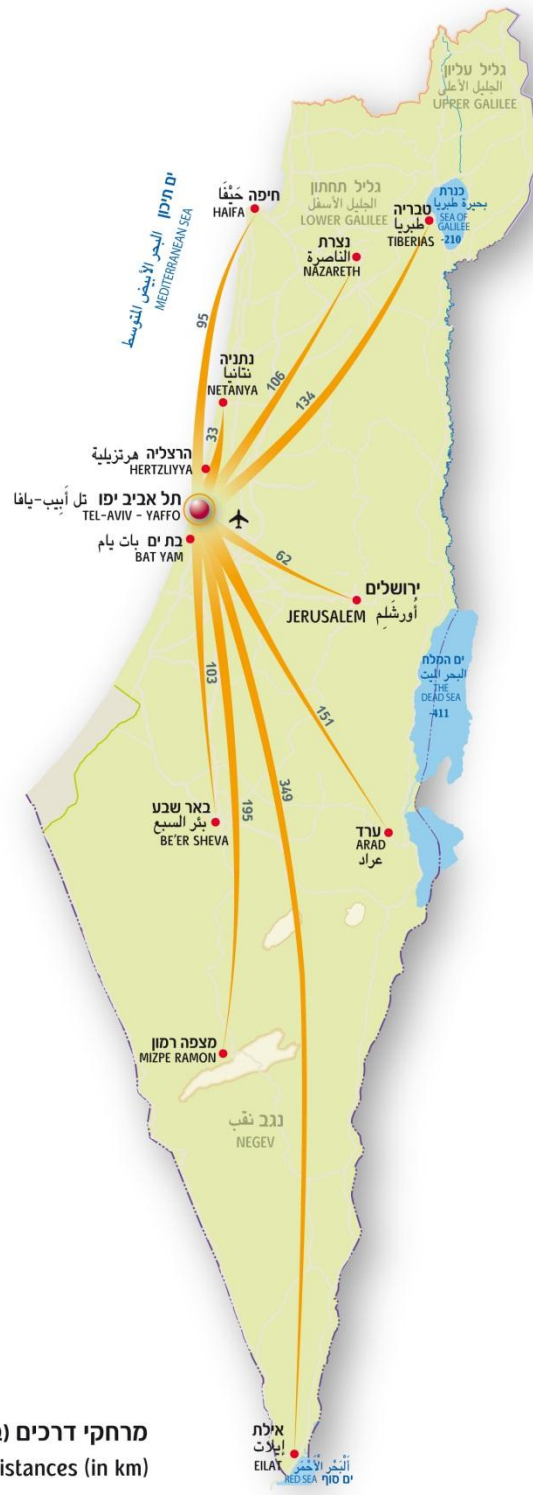
**Stas Misezhnikov**  
**Minister of Tourism**

## Appendix 4 of the Tender Documents

### Number of hotels and hotel rooms according to geographic location

Area	Number of hotels	Total no. of rooms
Jerusalem (including East Jerusalem)	82	10,841
Dead Sea and Arad	18	4,420
Tel Aviv and suburbs (Herzliya, Bat Yam, Netanya)	93	9,977
Eilat and the Negev (Mitzpe Ramon, Beer Sheba)	58	11,375
Tiberias, Nazareth and Upper Galilee	71	6,008
Haifa, Carmel and West Galilee	45	4,651
<b>Total</b>	<b>367</b>	<b>47,272</b>

# Map of major tourism regions in Israel



מרחקי דרכים (ב-ק"מ)  
Road distances (in km)

## Appendix 5 of the Tender Documents

### Description of projects that were implemented by the Bidder for the purpose of proving compliance with the threshold conditions

For the purpose of providing a response to section 6.1 of the Tender, the following is a specification form concerning hotel classification projects in the Hotelstars method that were implemented by the bidder:

Period of operations	Project description (location, stages included and so on)	Number of hotels rated	Role of the bidder in the project	Description of the methodology served for the purpose of classification	The client ordering the project	Name of contact person for details, position and telephone

## Appendix 6 of the Tender Documents

### Specification of the professional experience and education of the Project Manager and the Examiner's on-site representative

#### 1. Project Manager

Education

Relevant degree/certification	Institution

Experience in rating hotels in the Hotelstars classification method

Implementation period	The project	Project scope	Position in project	Employer	Position in employer	Recommendations from clients	Contact persons and phone numbers of reference

**Administrative experience, hotel experience and tourism experience**

Years	Position	Employer	Recommendations	References, contact person and telephone

**2. Examiner's on-site representative**

Education

Relevant degree/certification	Institution

Experience in rating hotels according to the Hotelstars classification method

Years	Project	Role in project	Employer	Position in employer	Recommendations from clients	Contact persons and phone numbers of references

Hotel experience and tourism experience

Years	Position	Employer	Recommendations	References, contact person and telephone

## Appendix 7 of the Tender Documents

### Price Bid Form

**In return for providing the Services according to this Agreement, we request remuneration as follows:**

	Amount in NIS
Price for conducting "Rating inspection" for each hotel up to the first 100 hotels	X =

Bidder's name: \_\_\_\_\_

Company's Number: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Signatory name: \_\_\_\_\_

Signatory position: \_\_\_\_\_

Bidder Signature and Stamp: \_\_\_\_\_

**Attention – the price bid should be submitted in a separate envelope!**

**Appendix 8 of the Tender Documents**

**Advocate confirmation concerning the registration of the corporation  
and the authorized signatories in its name**

To: The Ministry of Tourism

**Re: Confirmation of registration of corporation and signatory rights**

**I, the undersigned, \_\_\_\_\_ Adv. certify as follows:**

- 1. The corporation \_\_\_\_\_ (name), corporation no. \_\_\_\_\_ was incorporated and registered lawfully on \_\_\_\_\_.**
- 2. The corporation's stamp in addition to the signatures of the persons specified hereunder jointly/severally (delete unnecessary) shall bind the corporation for all intents and purposes, including its engagement in the Tender specified hereinabove:**

<b>Name</b>	<b>ID. No.</b>	<b>Position</b>

- 3. The corporation's registered office is in the following address:**  
\_\_\_\_\_

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Advocate stamp and License No.**

\_\_\_\_\_  
**Signature**

## Appendix 9 of the Tender Documents

### Consent to the terms set forth in the Tender

**I, the undersigned, having carefully read and reviewed all the Tender Documents, hereby declare and warrant in the Examiner's name as follows:**

1. I read and understood all the Tender Documents and submitted my proposal accordingly.
2. I agree with all the said in the Tender Documents and I shall not raise any claims or demands based upon lack of knowledge or misunderstanding, and I hereby waive in advance such claims or demands as said.
3. I comply with all the required conditions from a bidder in the Tender, including all threshold conditions specified in section 6 of the Tender, and the proposal hereby submitted complies with all the requirements set forth in the Tender Documents.
4. I accept to perform all the works involved in the provision of the Services in accordance with the Tender Documents.

And in witness hereof I am hereby undersigned:

Date	Full name of signatory in the Examiner's name	Examiner's signature and stamp

## Appendix 10 of the Tender Documents

### Turnover Confirmation

**The following are the details about the bidder's annual turnover:**

Year	Turnover	Audited Yes/No
<b>2009</b>		
<b>2010</b>		
<b>2011</b>		

**Accountant confirmation:**

**I hereby certify that the financial statements for the years 2009 - 2011 specified hereinabove were audited and approved by our firm**

Date	Full name of the Accountant	Signature and stamp