



מדינת ישראל
State of Israel



Ministry of the Interior
The Biometric Database Management Authority

Tender No. 82/2013 for the Supply of a Biometric Matching System

Table of Contents

Tender	5
Introduction	5
Threshold Conditions	10
Criteria for Awarding Tender	18
Quality Criteria	19
Price Proposal	22
The Tender Process	26
General	36
Appendix A: Definitions	41
Appendix B: Technical Requirements	50
Appendix B1: General Information on the Israeli Biometric Database Project	86
Appendix B2: Key Workflow	94
Appendix B3: The Standard Server;	98
Appendix B4: A Summary of the Technical Quality Criteria	99
Appendix C: Proposal Form	104
Appendix C1: General Proposal Form	105
Appendix C2: Biometric Reference Project Form	110
Appendix C3: Biometric Engine Reference Project Form	117
Appendix C4: Technology Subcontractor Form	118

Appendix C5: Technical Specifications Form	120
Appendix C6: Price Proposal Form	142
Appendix D: Registration Form	144
Appendix E: Affidavit as required by section 12 of the Tender	145
Appendix F: Affidavit as required by section 13 of the Tender	149
Appendix G: Industrial Cooperation Undertaking	152
Appendix H: Company Undertakings	159
Appendix H1: The Company Undertaking Regarding Biometric Reference Project	159
Appendix H2: The Parent Company Undertaking Regarding Financial Strength	161
Appendix I: Technology Subcontractor Affidavit	163
Appendix J: Presentation and Demonstration Guidelines	165
Appendix K: Dynamic Online Tender	169
Appendix L: List of Consultants	176
Appendix M: Contract	177
Schedule 1: Definitions (Appendix A of the Tender)	226
Schedule 2: Time schedule	227
Schedule 3: System environments	228
Schedule 4: System Documentation	230
Schedule 5: SOW	234

Schedule 6: Detailed Specifications	235
Schedule 7: Training Guidelines	236
Schedule 8: Escrow agreement	237
Schedule 9: Supplier's confidentiality undertakings	240
Schedule 10: Supplier's Representative's confidentiality undertakings	242
Schedule 11: Insurance Certificate	244
Schedule 12: Performance bond	247

A. Introduction

1. Request for Proposals

The Biometric Database Management Authority of the Ministry of the Interior (hereinafter referred to as "**Authority**" or "**Biometric Authority**") invites Respondents who comply with the requirements of this Tender, to submit their proposals for the supply of a biometric matching system suitable for use in a national scale biometric database. All, as stipulated in the Tender Documents.

2. Background

2.1. Israel's Inclusion of Biometric Means of Identification within Identification Documentation and Database Law, 5769 - 2009 (this law and the regulations and order issued pursuant to it shall be hereinafter referred to as the "**Law**"; please also see the definition of the term in Appendix A) regulates the integration of biometric data in Identification Documents in order to ensure the authenticity of these documents and to prevent the use of forged documents or false identities.

2.2. The Law established the Biometric Authority in order to regulate and manage a central biometric database ("**Database**" or "**Biometric Database**"). This Database will include biometric records of Israeli residents or citizens, consisting of two flat fingerprints and a face image.

2.3. Each biometric record that is received at the Biometric Authority will be compared to the records stored in the Database, mainly in order to locate duplicate enrollments. The Proposed System must prevent duplicate enrollments, providing a very high probability for detection of any such events or attempts, as contemplated in the Tender Documents. Additional information on the Israeli Biometric Database project is detailed in Appendix B1 of the Tender.

2.4. The Law provides that the regulations will be effected in stages. Inter alia, it establishes a trial period of two years, commencing on the first of January 2013, which can be extended for an additional period of two years ("**Pilot Period**"). During this period, the Law will apply only to those residents who agree to be included in the Database. At the end of the Pilot Period a decision will be made as to the future application of the Law regarding the Biometric Database.

3. **Definitions**

3.1. All capitalized terms in the Tender Documents shall have the meanings set forth in Appendix A of the Tender.

4. **The Contract Principles and Additional Information**

4.1. The Supplier will supply the State of Israel with a **system whose primary purpose is to prevent duplicate enrollments of residents or citizens applying for Identification Documents.**

4.2. Secondary purposes of the System which, according to the current Law, will not be implemented during the Pilot Period, include:

4.2.1. Identification of corpses in cases of mass disasters - of people who were not carrying Identifying Documents, or whose Identifying Documents were destroyed as a result of the disaster;

4.2.2. Fighting crime - limited access will be allowed, under court orders and subject to the terms of the Law and other relevant Israeli legislation;

4.2.3. Identifying paperless persons – subject of the terms of the Law and other relevant Israeli legislation.

4.3. The Biometric Authority will purchase a biometric matching system comprising a database of at least two million New Unique Records, during the Initial Contract Term.

4.4. The Biometric Authority will independently maintain the System during the Production Phase. The Supplier will supply Purchaser with training and support as stipulated in the Contract.

4.5. The Biometric Authority will directly purchase (i.e. - not from Supplier) Standard Servers, in the quantity required for optimal operation of the System. Other hardware may be bought by the Biometric Authority either from the Supplier or from other hardware vendors.

4.6. In addition to the System, Authority shall have the discretion to purchase from the Supplier a Test Clustering System, which will allow the Authority to test an option to cluster the database into groups ("clusters") of records.

4.7. All the aforesaid in this section is subject to the Contract.

5. **Term of Contract**

5.1. The Contract is for five years commencing from the date of its signing (the "**Initial Contract Term**"). Nevertheless, the Authority may terminate the Contract during the Initial Contract Term under the terms and conditions set forth in the Contract.

5.2. The Authority will have an exclusive option to extend the Contract for two additional terms of thirty months each, for a total aggregate period of ten years (including the Initial Contract Term).

6. **Preference for Israeli Products**

Israeli manufacturers may receive preference in accordance with Mandatory Tenders Regulations (Preference for Israeli Products), 5755 – 1995, **provided that such preference does not contradict any international treaty to which the State of Israel is a signatory.**

7. **Tender Process**

The Tender will be conducted in three main phases:

7.1. **First phase:** Respondents and their respective proposed system will be evaluated for compliance with all the threshold criteria stipulated in the Tender. Proposals lacking compliance with the threshold criteria will be disqualified by the Tender Committee. As part of this phase, Respondents will arrive in Israel in order to present to the Authority the main points of their proposals and to demonstrate their Proposed System, as stipulated in section 21.2 and in Appendix J.

7.2. **Second phase:** Tender Committee will grade Qualified Respondents' proposals by qualitative parameters, as described in sections 24 - 27 herein. At the end of this phase, each Qualified Respondent will be notified as to the Qualitative Score of its proposal.

7.3. **Third phase:** Qualified Respondents will participate in a dynamic online tender, as described in sections 28 - 31 and in Appendix K. In this phase, the Qualified Respondents will propose financial bids that will be weighted with their Qualitative Score, to a Weighted Score. The Respondent whose proposal receives the highest Weighted Score will be awarded the Tender.

8. **Tender Schedule**

- 8.1. Below is the schedule for the Tender process:
 - 8.1.1. Tender publication date: April 4, 2013;
 - 8.1.2. Final registration date: May 20, 2013;
 - 8.1.3. Final date for submission of requests for clarifications: May 2, 2013;
 - 8.1.4. Final date for receipt of Authority's answers to Respondents' questions: May 20, 2013;
 - 8.1.5. Final date for submission of proposal: June 20, 2013, at 17:00.
- 8.2. The Tender Committee may change or adjust the dates stipulated in the Tender or derived from the Tender, and may also extend the date for submission of proposals insofar as the final submission date specified, has not yet passed. Notice of such extensions shall be sent to all Respondents who have formally registered to the Tender by filling in and submitting the registration form as specified in section 32.

9. **Tender Documents**

- 9.1. The Tender Documents include:
 - 9.1.1. This Tender;
 - 9.1.2. Appendix A – Definitions;
 - 9.1.3. Appendix B – Technical Requirements;
 - 9.1.3.1. Appendix B1 – General Information on the Israeli Biometric Database Project;
 - 9.1.3.2. Appendix B2 – Key Workflow;
 - 9.1.3.3. Appendix B3 – The Standard Server;
 - 9.1.3.4. Appendix B4 – A Summary of the Technical Quality Criteria;
 - 9.1.4. Appendix C – Proposal Form;
 - 9.1.4.1. Appendix C1 – General Proposal Form;
 - 9.1.4.2. Appendix C2 – Biometric Reference Project Form;

- 9.1.4.3. Appendix C3 – Biometric Engine Reference Project Form;
- 9.1.4.4. Appendix C4 – Technology Subcontractor Form;
- 9.1.4.5. Appendix C5 – Technical Specifications Form;
- 9.1.4.6. Appendix C6 – Price Proposal Form;
- 9.1.5. Appendix D – Registration Form;
- 9.1.6. Appendix E – Affidavit as required by section 12 of the Tender;
- 9.1.7. Appendix F – Affidavit as required by section 13 of the Tender;
- 9.1.8. Appendix G – Industrial Cooperation Undertaking;
- 9.1.9. Appendix H – Company Undertakings:
 - 9.1.9.1. Appendix H1 – The Company Undertaking Regarding Biometric Reference Project;
 - 9.1.9.2. Appendix H2 – The Parent Company Undertaking Regarding Financial Strength;
- 9.1.10. Appendix I – Technology Subcontractor Affidavit;
- 9.1.11. Appendix J – Presentation and Demonstration Guidelines;
- 9.1.12. Appendix K – Dynamic Online Tender;
- 9.1.13. Appendix L – List of Consultants;
- 9.1.14. Appendix M – Contract;
 - 9.1.14.1. Schedule 1 – Definitions (Appendix A of the Tender);
 - 9.1.14.2. Schedule 2 – Time schedule;
 - 9.1.14.3. Schedule 3 – System environments;
 - 9.1.14.4. Schedule 4 – System Documentation;
 - 9.1.14.5. Schedule 5 – SOW;
 - 9.1.14.6. Schedule 6 – Detailed Specifications;
 - 9.1.14.7. Schedule 7 – Training Guidelines;

- 9.1.14.8. Schedule 8 – Escrow agreement;
 - 9.1.14.9. Schedule 9 – Supplier's confidentiality undertakings;
 - 9.1.14.10. Schedule 10 – Supplier's Representative's confidentiality undertakings;
 - 9.1.14.11. Schedule 11 – Insurance Certificate;
 - 9.1.14.12. Schedule 12 – Performance bond;
 - 9.1.14.13. Schedule 13 – The Technical Requirements (appendix B of the Tender).
 - 9.1.14.14. Schedule 14 – Supplier's proposal to the Tender.
- 9.2. The appendices to the Tender constitute an integral part thereof.

B. Threshold Conditions

10. General

- 10.1. Respondents in compliance – at the time of submission of the proposal – with the terms set forth in sections 11 - 21, are permitted to participate in the Tender.
- 10.2. Joint proposals by a number of corporations together shall not be accepted. However, the use of subcontractors is allowed, provided that they are in compliance with the terms stipulated in section 20.
- 10.3. A Respondent may not attribute data from another corporation to itself, except in cases where it has expressly been permitted to do so.

11. Form of Incorporation of Respondent

- 11.1. As a precondition to participation in the Tender, Respondent must be duly incorporated in a country that maintains diplomatic relations with the State of Israel.
- 11.2. Entities residing or incorporated in a country which has no diplomatic relations with the State of Israel, or the control of which is held by a resident or corporation of such a country, are not entitled to participate in the Tender.

- 11.3. It is hereto agreed that the Israeli Security Agency (ISA) shall be the sole determining authority to decide if the controlling interest of a Respondent derives from a country without diplomatic relations with Israel. A decision made by the ISA in this regard shall be considered final, and cannot be appealed.
- 11.4. Respondent must attach to the Proposal Form:
 - 11.4.1. Certification of registration of the corporation from the relevant registry.
 - 11.4.2. Attorney certification attesting that the Proposal was signed by the Respondent's authorized signatories.

12. **Registration to the Tender and General Requirements**

- 12.1. As a precondition to participation in the Tender, Respondent must complete and submit the registration form, appended as Appendix D of the Tender, as stipulated in section 32.
- 12.2. As a precondition to participation in the Tender, Respondent must comply with all of the following:
 - 12.2.1. Respondent is not aware of any restriction whatsoever that could prevent the award of the Tender to Respondent, nor of any condition preventing Respondent from satisfying any and all of the undertakings contemplated by the proposal, the Tender, the Contract, or by law;
 - 12.2.2. Respondent is not aware of any held positions or matters (such as providing counsel to certain entities, membership on boards, ownership of assets and businesses etc.), of the Respondent or its authorized signatories, that might place them in a situation of a possible conflict of interest while providing the System, the services contemplated in the Contract or fulfilling any of the obligations set forth in the Contract.
 - 12.2.3. Respondent uses genuine (licensed) software only.
 - 12.2.4. If the Respondent is incorporated in Israel, it must also comply, as a precondition to participation in the Tender, with requirements regarding protection of employee's rights and

lawful employment of foreign workers, as stipulated in section 12 of Appendix E.

12.3. Respondent must attach to the Proposal Form an affidavit certified by an attorney, in the format set forth in Appendix E of the Tender.

13. **Intellectual Property Rights**

13.1. As a precondition to participation in the Tender, the Respondent must meet **one** of the following requirements, for each of the tools, methods, products and components to be used in the execution of its proposal:

13.1.1. The Respondent is the owner of all the rights (including intellectual property rights) to the tool, method, product or component, and is entitled to disseminate the said rights.

13.1.2. The Respondent possesses all the necessary approvals on behalf of the owners of all the rights (including intellectual property rights) to the tool, method, product or component, entitling the Respondent to use and disseminate the said rights and to enter into the Contract.

13.2. Respondent must attach to the Proposal Form:

13.2.1. An affidavit as set forth in Appendix F of the Tender. Please note that as part of this affidavit the Respondent is required to specify all the products and components of the Proposed System, and the name of the owner of the rights to each such product and component.

13.2.2. Authorizations from each of the owners of the rights, granting the Respondent the right to offer each of the products and components as part of the proposal.

14. **Industrial Cooperation Undertaking**

14.1. Respondent that is not incorporated in Israel must append to its proposal a Commitment for Industrial Cooperation, as set forth in Appendix G of the Tender.

14.2. This commitment will be valid only in any of the following instances:

14.2.1. The price for two million New Unique Records (according to the price per New Unique Record proposed by Respondent) is equal to/higher than five million USD.

- 14.2.2. During the agreement period the cumulative consideration paid by Purchaser to Supplier shall reach the threshold set out in the Israeli Mandatory Tenders Regulations (Mandatory Industrial Cooperation) 5767 – 2007.

15. **Experience in Supplying Biometric Matching Systems**

- 15.1. For the purposes of this Tender, the following terms shall have the meanings set forth below:

15.1.1. "**BMS**" shall mean a police AFIS system or a system that enables, executes and manages De-duplication of biometric records as part of voter registry, national documentation or border control systems.

15.1.2. "**Key Subcontractor**" is a subcontractor which has been Responsible, throughout all project phases (including architecture design, customization, installation, implementation, optimization including transition to ongoing production of the final system), for at least five of the following activities and issues, regarding the biometrics-related software of a BMS:

15.1.2.1. Technical issues;

15.1.2.2. Technological issues;

15.1.2.3. Development and customization;

15.1.2.4. Installation;

15.1.2.5. Training;

15.1.2.6. Tuning and optimization;

15.1.2.7. Final performance (including accuracy).

For the purpose of this section 15.1.2, "**Responsible**" shall mean one of the following:

15.1.2.8. Fully responsible (back to back with the prime contractor);

15.1.2.9. Responsible with the prime contractor of the project, provided that subcontractor's professional responsibility was broader than supplying

hardware and software components and providing consulting and management services.

- 15.1.3. **"De-duplication"** is a process of biometric comparisons based on one-to-many (1:N) matching, designed to ensure that no enrolled person has been assigned more than one unique record in the biometric database.
 - 15.1.4. **"Identification"** is the one-to-many (1:N) process of comparing a submitted biometric sample against all of the biometric reference templates on file (in the database), to determine whether it matches any of the templates and, if so, the identity of the person whose template was matched. The biometric system using the one-to-many approach is seeking to find an identity within a database rather than verify a claimed identity. Contrast with Verification.
- 15.2. **A precondition to participation in the Tender** is that the Respondent has been, for at least twelve consecutive months between 2009 and the date on which the proposal is submitted, the **prime contractor** or the **Key Subcontractor** in at least one project, in which a **BMS** was implemented, provided that this BMS has performed, during twelve consecutive months between 2009 and the date on which the proposal is submitted and in which the Respondent was the prime contractor or Key Subcontractor, Identification or De-duplication, using at least fingerprints as biometric, of at least two hundred thousand new biometric records in relation to (against) a biometric database of at least two million biometric records, on a continuous basis throughout these twelve months ("**Reference Year**").
- 15.3. For the purpose of this section, Respondent may attribute data from its Parent Company, Subsidiary or Fellow Subsidiary (in this section: the "**Company**") to itself, provided that the Respondent will attach to the Proposal Form all of the following documents:
- 15.3.1. Documentation on behalf of the authorized regulatory agency in the Respondent's country of registration, attesting to the ownership relations between the Respondent and the Company, including the percentage of shares that is held by the Parent Company. If the ownership relations between the

Respondent and the Company are not direct (e.g. indirect holding of shares), Respondent is required to provide an appropriate explanation, attested to by an attorney, and demonstrated by applicable documentation (e.g. reports issued by the Registrar of Companies, organizational charts, articles of association, etc.).

15.3.2. Letter as set forth in Appendix H1 of the Tender, filled and duly signed by the authorized signatory in the Company. This letter must be accompanied with a confirmation from an advocate that the letter was signed by the Company's authorized signatories.

15.4. Respondent must fill all the data required in the Biometric Reference Project Form, Appendix C2 of the Tender, regarding each of the reference projects that are relevant to this section.

15.5. Respondent must attach to the Biometric Reference Project Form a letter from the customer attesting to the accuracy of the details provided in the form, signed by the customer Contract Manager, Project Manager, or CFO.

16. **Reference Projects of the Fusion Mechanism of the Proposed System**

16.1. A precondition to participation in the Tender is that the **fusion mechanism** of the Proposed System has been integrated in at least one biometric matching system that has processed, using this mechanism, at least two hundred thousand new biometric records (each record comprises at least two independent biometrics), in relation to a biometric database of at least two million biometric records; whereby this processing of the two hundred thousand new records was executed within a period of no more than twelve consecutive months, between 2009 and the date on which the proposal is submitted.

16.2. Respondent must fill all the data required in the Biometric Engines Reference Project Form, Appendix C3 of the Tender, regarding each of the **fusion mechanism's** reference projects that are relevant to this section.

17. **Reference Projects of the fingerprints Biometric Engine of the Proposed System**

- 17.1. A precondition to participation in the Tender is that the **fingerprints biometric engine** of the Proposed System has been integrated in at least one biometric matching system that has processed, using this biometric engine, at least two hundred thousand new biometrics records in relation to a database of at least two million biometric records, whereby this processing of the two hundred thousand new records was executed within a period of no more than twelve consecutive months, between 2009 and the date on which the proposal is submitted.
- 17.2. Respondent must fill all the data required in the Biometric Engines Reference Project Form, Appendix C3 of the Tender, regarding each of the **fingerprint biometric engine's** reference projects that are relevant to this section.

18. **Reference Projects of the Face Biometric Engine of the Proposed System**

- 18.1. A precondition to participation in the tender is that the **face biometric engine** of the Proposed System has been integrated in at least one biometric matching system that has processed, using this biometric engine, at least two hundred thousand new biometric records in relation to a database of at least two million biometric records, whereby this processing of the two hundred thousand new records was executed within a period of no more than twelve consecutive months, between 2009 and the date on which the proposal is submitted.
- 18.2. Respondent must fill all the data required in the Biometric Engines Reference Project Form, Appendix C3 of the Tender, regarding each of the **face biometric engine's** reference projects that are relevant to this section.

19. **Financial strength**

- 19.1. As a precondition to participation in the Tender, Respondent or its Parent Company must demonstrate an annual turnover of at least ten million USD, based on audited financial statements for each of the years 2010 and 2011.
- 19.2. The Respondent must attach to the Proposal Form a certificate by Respondent's auditor or by Respondent's Parent Company's auditor,

attesting to Respondent's turnover or to Respondent's Parent Company's turnover (as applicable), in each of the foregoing years. This certificate must state that it is based on audited financial statements.

19.3. For the purpose of this section, Respondent may attribute data from its Parent Company to itself, provided that the Respondent will attach to the Proposal Form all of the following documents:

19.3.1. Documentation on behalf of the authorized regulatory agency in the Respondent's country of registration, attesting to the ownership relations between the Respondent and its Parent Company, including the percentage of shares that the Parent Company holds in the Respondent. If the ownership relations between the Respondent and the Parent Company are not direct (e.g. indirect holding of shares), Respondent is required to provide an appropriate explanation, attested to by an attorney, demonstrating by applicable documentation, e.g. reports issued by the Registrar of Companies, organizational charts, articles of association, etc.).

19.3.2. Letter as set forth in Appendix H2 of the Tender, filled and duly signed by the authorized signatory in the Parent Company. This letter must be accompanied by a confirmation from an advocate that the letter was signed by the Company's authorized signatories.

20. **Technology Subcontractors**

20.1. As a precondition to participation in the Tender, Respondent's Technology Subcontractors (if any) must be in compliance with the requirements stipulated in section 11 above.

20.2. Respondent must attach to the Proposal Form, for each Technology Subcontractor:

20.2.1. The Technology Subcontractor Form, Appendix C4 of the Tender.

20.2.2. Affidavits from the authorized signatories of Technology Subcontractor as set forth in Appendix I.

21. Technical requirements

- 21.1. A precondition to participation in the Tender is that the Proposed System will comply with **all the requirements** that are **mandatory** according to Technical Requirements, Appendix B of the Tender.
- 21.2. A precondition to participation in the Tender is that the Respondent will present and will clarify the main points of its proposal to the Tender Committee or to an examination team on its behalf, all as stipulated in Appendix J. As part of this presentation the Respondent will setup and will demonstrate a live system, according to the requirements stipulated in Appendix J.
- 21.3. The Authority reserves the right to disqualify any proposal if, subsequent to the presentation or the demonstration, it finds that the proposal does not comply with all the requirements that are mandatory according to Technical Requirements, Appendix B of the Tender, or that the proposal submitted in writing is not consistent with the demonstration / presentation findings.

C. Criteria for Awarding Tender

22. Rating the Proposals

- 22.1. Tender Committee will rate proposals that were submitted by the Qualified Respondents as follows:
- 22.1.1. **Qualitative Score (up to 40 points)** – Tender Committee will grade Qualified Respondents according to the **quality criteria** specified in sections 24-27 and in the Technical Requirements. The sum of all the points accumulated by Respondent in these sections constitutes the **Respondent's Qualitative Score**, which will constitute forty percent of the **Weighted Score**.
- 22.1.2. **Price Score (up to 60 points)** – The Qualified Respondents will be invited to participate in a **dynamic online tender**, in which they will submit their price proposal for each of the components as detailed in section 28.1. The Weighted Price of these components will be scored relatively. Respondent's

Price Score will constitute sixty percent of the **Weighted Score**.

22.2. Weighted Score = Qualitative Score + Price Score.

23. **The Winner of the Tender**

The Qualified Respondent that will receive the highest Weighted Score shall be awarded the Tender.

C1. Quality Criteria

24. **Additional Reference Projects (up to 2 points)**

24.1. A Respondent which has been, for at least twelve consecutive months between 2009 and the date on which the proposal is submitted, the **prime contractor** or the **Key Subcontractor** in more than one project that complies with section 15.2 ("**Biometric Reference Project**"), shall receive one half of a point for each such additional project, but no more than two points.

24.2. Respondent may attribute data from a different corporation to itself, according to the terms stipulated in section 15.3.

24.3. Respondent will not receive points according to this section for the Biometric Reference Project required to meet the threshold condition set forth in section 15 above.

24.4. Respondent must fill the Biometric Reference Project Proposal Form regarding each of the Biometric Reference Projects that are relevant to this section and must attach the document required according to section 15.5 above.

25. **Relevance of the Biometric Reference Projects (up to 10 points)**

25.1. The Respondent shall receive, for each Biometric Reference Project in which it was the prime contractor or a Key Subcontractor for at least twelve consecutive months between 2009 and the date on which the proposal is submitted, points as follows (cumulatively):

25.1.1. Each Biometric Reference Project in which the BMS has used during the Reference Year a fingerprints biometric engine which is the **same fingerprints biometric engine** as that

within the Proposed System, shall award the Respondent with half a point, up to one and a half points.

25.1.2. Each Biometric Reference Project which, during the Reference Year, has been based on **two finger prints per record**, shall award the Respondent with half a point, up to one and a half points.

25.1.3. Each Biometric Reference Project in which the BMS has used during the Reference Year a face biometric engine which is the **same face biometric engine** as that within the Proposed System, shall award the Respondent with half a point, up to one point.

25.1.4. Each Biometric Reference Project in which the BMS has used during the Reference Year a fingerprints biometric engine, a face biometric engine and a fusion mechanism which are the same as those within the Proposed System, shall award the Respondent with one point, up to two points.

25.1.5. Each Biometric Reference Project in which the BMS performed, during the Reference Year, **De-duplication or Identification using fusion of two or more different biometric technologies**, shall award the Respondent with half a point, up to two points.

25.1.6. Each project in which the BMS has performed **De-duplication**, using at least fingerprints as a biometric, of at least two million new biometric records in relation to a biometric database of at least seven million biometric records, throughout twelve consecutive months between 2009 and the date on which the proposal is submitted, shall award the Respondent with one point, up to two points.

26. **Additional Experience of the Biometric Engines (up to 3 points)**

26.1. A Respondent which proposes, as part of the Proposed System, a **fingerprints** biometric engine that has compared (cumulatively) more than ten million new biometric records against a database, between 2009 and the date on which the proposal is submitted, shall be awarded with half a point.

26.2. A Respondent which proposes, as part of the Proposed System, a **face** biometric engine that has compared (cumulatively) more than ten million new biometric records against a database, between 2009 and the date on which the proposal is submitted, shall be awarded with half a point.

26.3. A Respondent which proposes, as part of the Proposed System, a **fingerprints** biometric engine that has been integrated in **more than one BMS** that has processed, using this biometric engine, at least two hundred thousand new records in relation to (against) a database of at least three million records within no more than a year, between 2009 and the date on which the proposal is submitted, shall receive half a point for each such project, up to one point.

26.3.1. Respondent will not receive points according to this section, for the projects which are required in order to meet the threshold condition set forth in section 17 above.

26.4. A Respondent which proposes, as part of the Proposed System, a **face** biometric engine that has been integrated in **more than one BMS** that has processed, using this biometric engine, at least two hundred thousand new records in relation to a database of three million records within no more than a year, between 2009 and the date on which the proposal is submitted, shall receive half a point for each such project, up to one point.

26.4.1. Respondent will not receive points according to this section, for the projects required in order to meet the threshold condition set forth in section 18 above.

27. **Additional or Improved Features of the Proposed System (up to 25 points)**

The Respondent shall receive points for additional or improved features and properties that are proposed within the Proposed System with no additional price for Purchaser, according to the quality criteria set forth in the Technical Requirements, Appendix B of the Tender (see Appendix B4 of the Tender for the summary of the quality criteria set forth in the Technical Requirements).

C2. Price Proposal

28. Price Quote

28.1. The price proposal shall include all the following items:

28.1.1. **New Unique Record Price ("NUR-P")** – The Authority will pay Supplier for each New Unique Record that will be processed by the System. New Unique Record Price shall include:

28.1.1.1. The System.

28.1.1.2. All required software licenses for four environments (test, staging, production and DRP site), **excluding the Database Licenses.**

28.1.1.3. Professional support by electronic mail or by telephone (per the Purchaser's request) throughout the duration of the Agreement.

28.1.1.4. Complete professional training and support throughout the Setup Phase and Initial Production Stage.

28.1.1.5. Software updates and upgrades throughout the duration of the Agreement.

28.1.1.6. Bug fixes throughout the duration of the Agreement.

28.1.1.7. Documentation as set forth in the Agreement.

28.1.1.8. Two M&D Workflows.

28.1.1.9. All of the undertakings of the Supplier as stipulated in the Agreement, unless expressly provided otherwise.

Please note that according to the Agreement the price per New Unique Record will be constant for the first two million New Unique Records. The price for each New Unique Record beyond the first two million New Unique Records will be NUR-P with **an additional discount of fifteen percent (15%).**

- 28.1.2. **Number of Standard Servers ("SN")** - In order to create a common basis for comparison between hardware costs of the Respondents' configuration requirements, all Respondents must "normalize" their hardware and storage requirements to the Standard Server. Hardware that cannot be "normalized" will be added to the final price, as set forth in section 28.1.3. The SN shall include the Standard Servers required for optimal performance of a Proposed System consisting of three million records and for the Test Clustering System (according to the Proposed System's configuration).
- 28.1.3. **Price per unit for COTS Hardware** – Respondent shall quote the price per unit for each of the hardware components (not Standard Servers) included in its Proposed System (per each environment, but not for the Test Clustering System). COTS Price ("**COTS-P**") will be calculated as follows: the price proposed for each item in the COTS Configuration multiplied by the quantities listed in the COTS Configuration for this item, and then addition of all the results of the multiplications per the different items.
- 28.1.3.1. Tender Committee may, but is not obliged to, notify Respondents before the Dynamic Online Tender, the price of the COTS components included in the COTS Configuration according to the price list of the Accountant General of the Israeli Government ("**AG Price**"). Respondent may, but is not obliged to, propose its price proposal for this component based on the AG price.
- 28.1.4. **Database Price ("DB-P")** – This price will include all licensing for the database included in the Proposed System, according to the Database Licenses. The DB-P does not include the price for database licenses required for the Test Clustering System.
- 28.1.4.1. Tender Committee may, but is not obliged to, notify Qualified Respondents as to the price of

their Database Configuration according to agreements between the Israeli Government and database providers ("**AG Database Price**"). Respondent may, but is not obliged to, propose the price according to said agreement as its Database Price.

28.1.5. **Test Clustering System Price ("TCS-P")** – This price will include the Test Clustered System as stipulated in section 23 of the Technical Requirements, and all the services stipulated in sections 17.1-17.7 of the Agreement. The TCS-P is independent of the number of records included in the Test Clustering System, and includes all COTS hardware (without the Standard Servers) and database licenses required for the Test Clustering System.

28.1.6. **M&D Hour Price ("M&D-H-P")** – The price offered for one hour of Modifications and Developments. This price must not exceed one hundred and fifty USD.

28.2. The price quote will not include Israeli VAT.

28.3. Prices shall not be indexed in any way (such as to the Consumer Price Index or foreign exchange rates).

28.4. Please note that according to the Contract:

28.4.1. Purchaser is not obliged in any way to acquire hardware from the Supplier and may purchase any and all hardware (for the System and for the Test Clustering System) from other vendors. This will not derogate from Supplier's duty to supply, upon Purchaser's request, the hardware listed in its proposal, for the prices listed in its price proposal. Nevertheless, Supplier will not be obliged to supply Purchaser hardware components for which it has specified AG Prices (no payment will be made to Supplier for hardware components that have not been supplied by Supplier).

28.4.2. Purchaser is not obliged to purchase the Test Clustering System.

29. **Price Proposal – General**

- 29.1. The Respondent shall specify in the Price Proposal Form the proposed price for each of the components listed in section 28.1 (excluding the Standard Servers). The Price Proposal Form shall be submitted in a separate envelope as described in section 35.9.6.
- 29.2. If the Tender Committee will find that there is only one Qualified Respondent, it shall open the Respondent's price proposal and will announce this Respondent as the winner of the Tender, subject to the provisions of Section 30 below.
- 29.3. If the Tender Committee will find that there is more than one Qualified Respondent, it will hold an **online dynamic tender**, as described in Appendix K. The prices proposed by the Respondent via the Price Proposal Form shall be the opening prices of the Respondent in the online dynamic tender (some of the prices shall stay constant during the online dynamic tender, as stipulated in Appendix K).

30. **Estimation**

- 30.1. Pursuant to section 17(a) of Mandatory Tenders Regulations, 5753 - 1993, the Tender Committee has estimated the expected NUR-P, TCS-P and M&D-H-P ("**Estimation**"). The Estimation will be deposited in the tender box prior to the final submission date (section 8.1.5).
- 30.2. In a case in which the price for one or more of the aforesaid components stated in the proposal of the Respondent that received the highest Weighted Score is higher than the Estimation, Authority shall be entitled (but not obliged), to perform any of the following (in addition to Authority rights according to this Tender and under law):
- 30.2.1. Cancel the Tender;
- 30.2.2. Allow the Respondent that received the highest Weighted Score, to reduce its price for this component;
- 30.2.3. Announce the Respondent that received the highest Weighted Score as the winner of the Tender;
- 30.2.4. Demand from all the Qualified Respondents to submit a renewed and improved financial proposal, according to

sections 17e(2), 21(1A) or 23(a) of the Regulations (as the case warrants);

30.2.5. Conduct a renewed dynamic online tender between all the Qualified Respondents.

31. **Weighted price**

31.1. The Weighted Price ("WP") proposed by the Respondent will be calculated according to the following formula:

$$\text{WP} = 2,000,000 \times \text{NUR-P} + 10,000 \times \text{SN} + \text{COTS-P (for Proposed System of three million records)} + \text{DB-P (for Proposed System of three million records)} + 2,000 \times \text{M\&D-H-P} + \text{TCS-P}$$

In case virtualization is needed the formula will be:

$$\text{WP} = 2,000,000 \times \text{NUR-P} + 15,000 \times \text{SN} + \text{COTS-P (for Proposed System of three million records)} + \text{DB-P (for Proposed System of three million records)} + 2,000 \times \text{M\&D-H-P} + \text{TCS-P}$$

31.2. The Weighted Price formula is used to compare the proposals only, and does not constitute a commitment by the Authority, other than commitments expressly specified in the Agreement. Without derogating from the generality of the above, Authority is not obliged to buy more than two million New Unique Records, or to buy a certain amount of Standard Servers or hours of Modifications and Developments or to purchase the Test Clustered System. In addition, the Weighted Price formula does not inhibit the Authority from buying more than two million New Unique Records.

D. The Tender Process

32. **Reviewing Tender Documents, Registration to the Tender**

32.1. The Tender Documents are posted on the Website.

32.2. The Respondent must register for the Tender by completing and sending the registration form, Appendix D of the Tender, by electronic mail, to Ms. Mila Rozin at Bio_DB@moin.gov.il by the date listed in section 8.1.2.

- 32.2.1. A Respondent shall be considered as having registered only after receiving confirmation from the Authority of its registration.
 - 32.2.2. Receipt of confirmation from the Authority via electronic mail will be seen as evidence that e-mail communication works to the satisfaction of the Authority and the Respondent.
 - 32.2.3. Additional information will be provided to the registrants to the Tender, as stipulated in the Tender Documents. This information and the Tender Committee's answers to questions that relate to this information shall not be posted on the Website.
 - 32.3. Respondent is requested to submit its information on the registration form, and will be asked to provide names of two contact persons, each of whom is authorized to represent Respondent during the course of the Tender; and to provide an official address for delivery of notices by mail, telephone numbers, fax and an electronic mail address.
 - 32.4. Note: the registration process does not impose any obligation on the registrants. Registration to the Tender does not constitute a commitment to participate in the Tender.
33. **Cost of Participation in the Tender**
- 33.1. All costs of participation in the Tender will be borne by Respondent, irrespective of the results of the Tender; participation in the Tender is deemed as a declaration by Respondent that Respondent is aware that all of the costs and expenses incurred by its participation in the Tender are to be borne by Respondent, and that Respondent will not have any demand or claim for the reimbursement of monies or any other compensation for costs or expenses.
34. **Clarifications**
- 34.1. From the date the Tender is published until the date listed in section 8.1.3, **any person** may contact the Authority **only in writing** (in English) by email to Ms. Mila Rozin, at Bio_DB@mail.gov.il and may raise any matter for clarification or ask any question relating to the Tender or the resulting Contract; the Authority will confirm receipt via electronic mail.

- 34.1.1. The applicant should specify in its request its company name and address and the name, email and telephone number of a contact person for the response.
- 34.1.2. The request should be submitted using an MS Word file in the following format (the order should be compatible with the order of Tender sections):

No.	Tender, or No. of Appendix	No. of section in the Tender / Appendix	The Question or Request

- 34.2. The Tender Committee does not commit to respond to all of the requests.
- 34.3. The Tender Committee does not commit to respond to a request received after the date listed in section 8.1.3.
- 34.4. The Tender Committee will respond to requests until the date listed in section 8.1.4.
- 34.5. Responses shall be provided without revealing the name of the applicant.
- 34.6. The responses will be provided to all the applicants who registered to the Tender through the registration form, Appendix D of the Tender, and will be published on the Website. The responsibility to be informed of responses to the requests for clarification lies on the Respondents themselves; The Authority will be considered as having performed its duty regarding the publication of the responses to the requests for clarification, insofar as these responses are published on the Website.
- 34.7. The responses to the requests for clarification will be considered as an integral part of the Tender Documents.

- 34.8. The Tender Committee may modify the terms and conditions of the Tender prior to the date for submitting proposals. Notification of such change will be sent to any registrant who submitted the registration form and will be published on the website.
- 34.9. Tender Committee will publish an amended version of Tender Documents, containing all the changes and relevant clarifications, and an MS-Word version of the Proposal Forms, following the date listed in section 8.1.4.

35. **Structure of the Proposal**

- 35.1. The proposal must be submitted through the Proposal Form; the Respondent will provide complete and accurate information on the forms.
- 35.1.1. In case of any discrepancy between the Proposal Form submitted by Respondent and the version published by the Purchaser on the Website, the latter shall prevail.
- 35.2. The Proposal Form comprises several forms, relating to different sections of the Tender:
- 35.2.1. General Form, Appendix C1;
- 35.2.2. Biometric Reference Project Form, Appendix C2;
- 35.2.3. Biometric Engines Reference Project Form, Appendix C3;
- 35.2.4. Technology Subcontractor Form, Appendix C4;
- 35.2.5. Technical Specifications Form, Appendix C5;
- 35.2.6. Price Proposal Form, Appendix C6.
- 35.3. The Proposal Form (except Price Proposal Form) shall be submitted using two binders, as follows:
- 35.3.1. Binder No. 1: the General Proposal Form, the Biometric Reference Project Forms, the Biometric Engines Reference Project Forms and the Technology Subcontractor Form – the forms will be separated using dividers.
- 35.3.2. Binder No. 2: the Technical Specifications Form.
- 35.4. The pages of the Proposal Form will be numbered sequentially. Each binder will include a table of contents.

- 35.5. Respondent will attach all of the documents required by the Proposal Form and by the provisions of this Tender at the end of the relevant part of its proposal, marked with the section of the Tender or the Proposal Form to which it pertains.
- 35.6. Please note that the Tender Committee is not obliged to consider any documents, booklets, brochures, discs, presentations, etc. that were not expressly requested or that their submission was not expressly permitted.
- 35.7. Documents that Respondent is permitted to attach to the proposal, and which do not constitute part of the Proposal Forms, will be submitted in a separate file or binder clearly marked in accordance with the relevant section of the Proposal Form.
- 35.8. The Proposal Forms are integral parts of the Tender Documents, and supplement the permanent sections of the Tender. Nonetheless, in the event of a contradiction between them and the body of the Tender, the body of the Tender shall prevail.
- 35.9. The proposal shall contain:
- 35.9.1. **One original copy of the proposal, without the Price Proposal** - containing two binders as detailed in section 35.3.
- 35.9.1.1. This copy will be marked "Original Copy".
- 35.9.1.2. Every page in the original copy of the Proposal Forms must be stamped and signed by the Respondent.
- 35.9.2. **Three identical copies of the proposal (including the various attendant documents and appendices), without the Price Proposal** – each containing two binders as detailed in section 35.3.
- 35.9.2.1. The first page of every copy must be stamped with an original stamp (not a photocopy) of the Respondent with an original signature (not a photocopy).
- 35.9.3. **One copy of the proposal for competitors review, without the Price Proposal** – containing the Proposal Form **without**

the information that the Respondent wishes to keep confidential, as detailed in section 41.3 of the Tender.

35.9.3.1. This copy will be marked: "Copy for Competitors Review".

35.9.4. **Four compact discs (CD/DVD)** - each of the CDs shall contain a computerized version of the proposal (the Proposal Form, including the various attendant documents and appendices, without the Price Proposal Form) in a **searchable PDF format**, and which also allows adding comments and highlighting.

35.9.4.1. The Respondent must verify that the contents of the disc are identical to the printed proposal.

35.9.5. **One compact disc (CD/DVD) containing a non-editable PDF version of the copy for competitors review** – this version should be identical to the copy for competitors review submitted in accordance with section 35.9.3.

35.9.6. **One sealed envelope containing the Price Proposal** - containing the Price Proposal Form (a proposal in which the Price Proposal Form is not separated shall not be disqualified for this reason alone).

35.10. In the event of a contradiction between the original copy and other copies submitted by Respondent, the original copy shall prevail.

35.11. Tender Committee will open the envelope containing the Price Proposal of the Qualified Respondents. The prices proposed in the Price Proposal shall constitute the opening prices of the Respondent for the online dynamic tender, subject to the provisions of appendix K. The price proposal of Respondents whose proposal does not meet the threshold conditions shall not be reviewed.

36. **Language of the Proposal**

36.1. The proposal must be submitted in English.

36.2. Documents that are not in English must be translated into English, and the original documents must be appended to the translations; only documents in English will be reviewed. Nevertheless, documents issued

by Israeli authorities should not be translated and Respondent may attach the Hebrew version of the document.

36.3. In the event of a contradiction between an original document and its English translation, the latter shall prevail.

37. **Submission of the Proposal**

37.1. The proposal must be submitted in a signed and sealed envelope with no external identification, following the clarification process, and no later than **the date and time listed in section 8.1.5**, in the tender box located on the entrance floor of the Ministry of Interior, 2 Kaplan Street, Jerusalem.

37.1.1. Please verify prior to the placement of the envelope in the tender box that the envelope is stamped at the guard station with the date and time accepted.

37.2. The envelope should state "Public Tender No. 82/2013 for the Supply of a Biometric Matching System".

37.3. The submission of the proposal by the date and time indicated in section 37.1 above is the sole responsibility of the Respondent. **A late proposal will not be examined by the Tender Committee.**

37.4. Under no circumstances should the proposal be submitted by electronic mail or facsimile.

37.5. The submission of a signed proposal constitutes conclusive evidence that the Respondent has read all of the provisions of the Tender Documents, understood them and has given its unconditional consent to them. Please note that the Agreement will be signed with the winner of the Tender as is. Respondents must therefore raise any questions or objections to the Tender Documents and in particular to the Contract, during the time period set forth in section 8.1.3.

38. **Multiple Proposals**

38.1. A Respondent may submit no more than two proposals, provided that each proposal is submitted as a complete and separate proposal and offers a different technical solution.

38.2. Respondent that submits two proposals should mark each proposal as a whole, as well as each of its parts, in a way that will allow to distinguish between its proposals clearly and easily.

39. **Validity of the Proposal**

39.1. The proposal will be valid for twelve months from the date of its submission.

39.2. Notwithstanding the above, proposals that are not chosen will remain valid for at least ninety days after the conclusion of the Tender process. In the event that the winner of the Tender withdraws its proposal or breaches the Contract the Tender Committee may declare the next Respondent in line as the winner of the Tender.

39.3. Should the contractual agreement between the Authority and the winner of the tender end prematurely, for any reason at all (such as breach of the agreement or its revocation) the Authority may choose the next Respondent in line, provided that at such time the Respondent has met the preconditions for participation in the Tender and that the Respondent has given its consent to enter into a contract with the Authority.

40. **Negotiations**

40.1. Authority has the sole discretion to conduct negotiations with all Qualified Respondents before the dynamic online tender. Nevertheless, if no more than three Respondents will comply with all the threshold conditions, Authority shall have the discretion to conduct such negotiations with all of the Respondents.

40.2. Negotiations will be held with each of the Respondents separately, based on equal terms and conditions.

40.3. In the negotiations, the Authority may:

40.3.1. Allow Respondents whose Proposed System does not fully comply with the mandatory requirements set forth in the Technical Requirements to amend their proposal in order to align with said requirements (this will be relevant only if Respondents that are not approved as Qualified Respondents will participate in the negotiations).

- 40.3.2. Inform each Respondent of its position relative to other proposals.
- 40.3.3. Add components or requirements to the scope of the Tender, subject to the consent of the Qualified Respondents.
- 40.3.4. Request improvements in technology, in the proposed solution components and in financial parameters.
- 40.3.5. Discuss financial terms and parameters with Respondents.
- 40.4. At the conclusion of the negotiations, the Respondents will receive an opportunity to submit a revised proposal within seven days. The revised proposal may include changes in the prices proposed within the Price Proposal Form (this may be relevant even if a dynamic online tender shall be conducted, since some of the components of the bid to the dynamic online tender will be based on the information submitted in the proposal, and will be constant throughout the dynamic online tender. Please see Appendix K below).
- 40.5. The revised proposals will be evaluated according to relevant Tender sections.
 - 40.5.1. If a Respondent elects to make no modifications to its original proposal, the original proposal will be taken into consideration.
- 40.6. If the Authority will conduct negotiations and will allow Respondents to submit a revised proposal, it will assess the need to conduct an additional examination of Respondents' Qualitative Score.
- 41. **Reviewing the Tender Documents and the Winning Proposal**
 - 41.1. The Tender Committee shall allow a Respondent who is not awarded the Tender to review the minutes of the Tender Committee and the documents of the winning proposal in accordance with Regulation 21(e) of the Mandatory Tenders Regulations, 5753 - 1993, Freedom of information Act, 5758 - 1998 and in accordance with all relevant laws.
 - 41.2. A Respondent who believes that sections of its proposal contain trade or business secrets (in this section - "**Classified Sections**"), and should not be reviewed by the other Respondents following the completion of the Tender, should explicitly make note of the classified sections on the

Proposal Forms, and should clearly and unequivocally mark the classified sections in its proposal.

- 41.3. Respondent shall submit one hard-copy of its proposal in which the Classified Sections are blackened out or deleted, and shall mark this copy as a “copy for competitors review”. In addition, the Respondent shall include in its proposal one CD containing a PDF version of this copy (all, as stipulated in sections 35.9.3 and 35.9.5 above).
- 41.4. A Respondent failing to mark sections on the proposal form as classified or failing to submit a copy for competitor review, will be deemed as having consented to delivery of its entire proposal to be read by other Respondents should said Respondent be awarded the Tender.
- 41.5. The designation of certain sections of the proposal as classified or their deletion from the copy for competitor review will be considered an admission that these Classified Sections in the proposal are also classified in the proposals of other Respondents, and therefore Respondent waives in advance all rights to view these sections in the competitors proposals as well.
- 41.6. Please note that sole discretion with regard to the right of review of the Respondents belongs to the Tender Committee alone, which will act in this matter in accordance with law.
- 41.7. Should the Tender Committee decide to permit the review of the sections of the winning proposal that the Respondent designated as classified, notification of this permission will be sent to the winning Respondent that will be permitted to submit an objection to this decision within a reasonable period of time under such circumstances.
- 41.8. The Tender Committee will notify the Respondent a denial of said objection, if so denied, prior to the delivery of the material to the applicant wishing to review it.
- 41.9. Without derogating from the above, be advised that Respondent's name and address and the proposed price do not constitute trade or business secrets. A Respondent who chooses to participate in this Tender thus consents to the terms of this section.

42. **Exercise of the Contract**

- 42.1. As a condition for executing the Contract and signing the Agreement, the winning Respondent will present the Authority with all of the documentation, commitments and permits detailed in the contract, within **fourteen days from notification of the award**.
- 42.2. Notwithstanding the generality of the above, the winner of the Tender must present the following documents to the Authority:
- 42.2.1. Non-disclosure declarations (Schedules 9 and 10 of the Contract);
- 42.2.2. An insurance certificate (Schedule 11 of the Contract);
- 42.2.3. A performance bond (Schedule 12 of the Contract).

E. General

43. **Governing law**

- 43.1. This Tender is governed by the laws of the State of Israel, including the Law, the Mandatory Tenders Law, 5752 – 1992 and Mandatory Tenders Regulations, 5753 – 1993.
- 43.2. Without derogation from the generalization of the above, the Tender is subject to the Law. In any case of discrepancy between the Tender and the Law, the last shall prevail.
- 43.3. The Respondents will be deemed as having received appropriate legal counsel prior to their participation in this Tender.

44. **Interpretation**

- 44.1. Words and expressions that are not defined in Appendix A, shall be ascribed their meanings as found in the Law, the Mandatory Tenders Law, 5752 – 1992 or in the Interpretation Ordinance or the Interpretation Law, 5741 – 1981, unless another interpretation is mandated from the context or text.
- 44.2. A revocation or a determination regarding the revocation of terms of the Tender shall not invalidate the Tender or any other term therein.

44.3. The Contract attached to this Tender, with all of its appendices constitutes an integral part of the Tender Documents. The Tender and the Contract attached to it (with all of its appendices) are deemed one document with complementing parts.

44.3.1. In the event of a contradiction between the language of the Tender and the language in the Contract, an effort shall be made to resolve the contradiction.

44.3.2. In circumstances where it is not possible to resolve the difference between the language of the Tender and the language of the Contract, the language of the Contract shall prevail.

44.3.3. All references made in the plural – shall include the singular and vice versa.

44.3.4. The headings of the sections in the Tender and the appendices are provided for convenience only and shall not be used in the interpretation thereof.

45. **Index, Currency and Time**

45.1. A sum of money or value of an asset quoted by Respondent, shall be quoted in **US Dollars**, and **written both in its numerical and written form**.

45.1.1. In the event of a contradiction between the sum stated in numerical form and the sum as written, the latter shall prevail.

45.1.2. If the type of currency is not specified, the presumption will be that the currency is proposed in US Dollars.

45.2. Dates and hours are all local time, Jerusalem, Israel.

46. **Website**

All information and notifications regarding the Tender will be published on the Website. The Website address is: www.moin.gov.il

46.1. It is the responsibility of the Respondents to continuously update themselves with regard to the progress of the Tender from this site.

46.2. Inasmuch as possible and without taking responsibility for doing so, the Tender Committee will send notifications of new information published on the Website by electronic mail. **Respondents should take the**

proper actions to include the e-mail address Bio_DB@moin.gov.il in their "safe senders" list.

47. **Affidavits**

47.1. Affidavits will be approved by notaries or by attorneys that are authorized to approve such documents according to the laws of the state in which the Respondent is incorporated.

48. **Intellectual Property rights to Documents**

48.1. The Tender Documents and any and all intellectual property rights therein are exclusively owned by the Authority and are supplied to the Respondents solely for the purpose of participation in the Tender.

48.2. Tender Documents may not be used for any other purpose other than for the submission of proposals to the Tender.

49. **Tender Committee Consultants**

49.1. Any entity or person, which has provided, or will provide, services to the Biometric Authority, PIBA or any relevant authority in relation to the Tender and the Biometric Database, including the advisors listed in Appendix L, shall not be permitted to render services or participate in any other manner in the preparation of a proposal for the Tender, or advising a Respondent on any other issue, whether directly or through an affiliated body, unless prior written permission to do so is obtained from the Tender Committee.

49.2. The Tender Committee shall be entitled to disqualify a proposal prepared in violation of this section.

50. **Request for Additional Information and Clarifications**

50.1. The Tender Committee may request written or oral clarifications from any Respondent regarding its proposal, in whole or in part. Such a request shall not be construed as permission for a respondent to change its proposal or to grant such Respondent an unfair advantage over the other Respondents. The clarifications will serve as an integral part of the proposal.

50.2. The Tender Committee has the discretion to request a Respondent to provide missing information, recommendations or certifications that relate to the requirements stipulated in the Tender, in order to evaluate

the Respondent's compliance with the terms of the Tender. The Committee may, for reasons to be listed, invite a Respondent to appear before it, in order to verify details of the proposal or for other details that it requires in order to make a decision.

50.3. The Tender Committee may perform any act that may be necessary to evaluate the proposal, including visiting the Respondent's facilities or the facilities of a proposed subcontractor or the facilities of a reference site. All coordinated in advanced.

51. **Nonresponsive Proposal**

51.1. The Tender Committee may, for reasons that will be listed, instruct that an irregularity or error in a proposal to the Tender be rectified, if it finds that this will not harm the equality between the Respondents or if it finds that this decision benefits the public welfare and the aim of the Tender.

51.2. The Tender Committee may, inter alia, disqualify a proposal that is partial, lacking, conditional, defective, incorrect or based on an incorrect understanding of the Tender.

52. **A Tactical or Loss Based Proposal**

52.1. A Tactical proposal or a proposal submitted with a lack of good faith or a proposal that under analysis proves to be a proposal at a loss or a proposal that is not based on a clear and solid economic foundation will be disqualified.

53. **A Conditional or Limited Proposal**

53.1. A Respondent may not limit its proposal or condition it in a manner that is inconsistent with the requirements of the Tender.

53.2. A Respondent who believes that the requirements of the Tender should be conditioned or disqualified may raise such comments or reservations as part of the clarification process; the Tender Committee will consider the request and will respond in accordance with the provisions of section 34 above.

53.3. Please note that the Contract will be signed with the winner of the Tender as is. Respondents must therefore raise any questions or objections to the Tender Documents and in particular to the Contract

during the time period set forth in accordance with the provisions of section 34.

54. **Revocation and Rejection**

54.1. The Tender Committee is permitted, at any stage of the Tender (including the time between the announcement of the winning Respondent and the signing of the Contract), to cancel the Tender and the Respondents will have no rights to enforce its execution.

54.2. Without derogating from the generality of the above, the Tender Committee is entitled to cancel the Tender for budgetary reasons at any stage of the Tender.

55. **Jurisdiction**

55.1. Local jurisdiction with regard to this Tender belongs to the competent court in Jerusalem, Israel.

Appendix A: Definitions

1. **"AG Database Price"** shall have the meaning ascribed thereto in section 28.1.4.1 of the Tender.
2. **"AG Price"** shall have the meaning ascribed thereto in section 28.1.3.1 of the Tender.
3. **"Agreement"** or **"Contract"** is appendix M of the Tender.
4. **"Approved M&D Plan"** shall have the meaning ascribed thereto in section 16.10 of the Agreement.
5. **"Authority"**, **"Biometric Authority"** or **"Purchaser"** shall have the meaning ascribed thereto in section 1 of the Tender.
6. **"Authority Site"** means the Authority facilities in Jerusalem.
7. **"Batch"** shall have the meaning ascribed thereto in section 8.1.2 of the Technical Requirements.
8. **"Batch Processing Response Time" (BPRT)** shall have the meaning ascribed thereto in section 8.2.1 of the Technical Requirements.
9. **"Biometric Database"** or **"Database"** shall have the meaning ascribed thereto in section 2.2 of the Tender.
10. **"Biometric Enrollment"** means the process of collecting biometric data samples from a person and subsequently storing the data in a reference template representing a user's identity, to be used for later comparison.
11. **"Biometric Reference Project"** shall have the meaning ascribed thereto in section 24.1 of the Tender.
12. **"BMS"** shall have the meaning ascribed thereto in section 15.1 of the Tender.
13. **"Candidates"** shall have the meaning ascribed thereto in section 16.2.2 of the Technical Requirements.
14. **"Control"** means the ability to direct the activity of a corporation – whether alone or with others or through others, directly or indirectly – arising from holding the Means of Control in that corporation or in any other corporation; including a capability that derives from the corporation's articles of association, from a written, oral or any other kind of agreement; or which derives from any other source, other than during the routine fulfillment of an employee's duties in the corporation;

Without derogating from the generality of the above, one will be perceived as having substantial influence in a corporation if one holds fifty percent or more of any Means of Control in the corporation; or if one has the ability to prevent or impose the adoption of business decisions in the corporation, other than resolutions relating to the Means of Control in the corporation or decisions regarding the sale or liquidation of the majority of the corporation's business or the institution of material changes therein; the presumption is that one has control in a corporation if one holds the majority of Means of Control of any kind.

15. **"COTS"** means "Commercial Off the Shelf".
16. **"COTS Configuration"** refers to the COTS hardware (excluding the Standard Servers) that are part of the Proposed System, as detailed in Respondent's response to section 15.1 of the Technical Specifications, Appendix C5 of the Tender.
17. **"COTS Price"** or **"COTS-P"** shall have the meaning ascribed thereto in section 28.1.3 of the Tender.
18. **"Critical Bug"** means each of the following:
 - 18.1. Bugs, malfunctions, or operational problems that cause the System to be inoperable or that affect the detection of Duplicate Enrollments.
 - 18.2. Any security problem that will be identified in the System; or that will be directly or indirectly caused by the System (including if identification of such problem occurs following security tests carried out by Purchaser).
19. **"Critical False Alert Event"** shall have the meaning ascribed thereto in section 18.3 of the Agreement.
20. **"Customization Stage"** is the second stage of the Setup Phase, which commences with the termination of the Detailed Specifications Stage and terminates after twenty one days, with the commencement of the Training Stage.
21. **"Daily Batch"** shall have the meaning ascribed thereto in section 8.1.3 of the Technical Requirements.
22. **"Database"** or **"Biometric Database"** shall have the meaning ascribed thereto in section 2.2 of the Tender.

23. **"Database Licenses"** refers to all licenses, that are required for the databases of the different System environments of the Proposed System (excluding Test Clustering System), as detailed in Respondent's response to section 15.8 of the Technical Specifications, Appendix C5 of the Tender.
24. **"Database Price"** or **"DB-P"** shall have the meaning ascribed thereto in section 28.1.4 of the Tender.
25. **"De-Duplication"** shall have the meaning ascribed thereto in section 15.1.3 of the Tender.
26. **"Detailed Specifications"** shall have the meaning ascribed thereto in section 10.7 of the Agreement.
27. **"Detailed Specifications Stage"** is the first stage of the Setup Phase, which commences seven days from the onset of the Setup Phase and terminates after thirty days, with the commencement of the Customization Stage.
28. **"Downtime Event"** shall have the meaning ascribed thereto in section 18.8 of the Agreement.
29. **"Dual Control"** shall have the meaning ascribed thereto in section 21.1.2 of the Technical Requirements.
30. **"Duplicate Enrollment"** means an event in which a person who has been enrolled in the biometric database attempts to enroll (advertently or inadvertently) in the same database, a second time using a different identity.
31. **"Erratic False Alert Event"** shall have the meaning ascribed thereto in section 18.4 of the Agreement.
32. **"Estimation"** shall have the meaning ascribed thereto in section 30.1 of the Tender.
33. **"False Alert Event"** shall have the meaning ascribed thereto in section 18.2 of the Agreement.
34. **"False Match" (FM)** or **"False Accept" (FA)** is the comparison decision of 'match', for a recognition biometric sample and a biometric reference that are not from the same source; i.e.: a situation where the system reports that two records (all samples from each record) belong to the same person, where they actually belong to two different people.

35. **"False Match Rate" (FMR)** or **"False Accept Rate" (FAR)** is one of the following:
 - 35.1. The proportion between False Matches reported by the System regarding De-duplication (or Identification) transactions, and the total number of De-duplication (or Identification) transactions; or
 - 35.2. The proportion between False Matches reported by the System regarding Verification transactions and total number of Verification transactions.
36. **"False Non-Match" (FNM)** or **"False Reject" (FR)** is comparison decision of 'no-match' for a recognition biometric sample and a biometric reference, that are from the same source.
37. **"False Non-Match Event"** shall have the meaning ascribed thereto in section 18.5 of the Agreement.
38. **"False Non-Match Rate" (FNMR)** or **"False reject Rate" (FRR)** is one of the following:
 - 38.1. The proportion between False Non-Matches reported by the System regarding De-duplication (or Identification) transactions and the total number of De-duplication (or Identification) transactions; or
 - 38.2. The proportion between False Non-Matches reports by the System regarding Verification transactions and the total number of Verification transactions.
39. **"Fellow Subsidiary"** is one of two companies or more, that have the same Parent Company.
40. **"High Priority Batch"** shall have the meaning ascribed thereto in section 8.3.1 of the Technical Requirements.
41. **"ICAO"** means International Civil Aviation Organization.
42. **"Identification"** shall have the meaning ascribed thereto in section 15.1.4 of the Tender.
43. **"Identification Document"** is an Identity Card or a Travel Document.
44. **"Identity Card"** shall have the meaning ascribed thereto in the (Israeli) Population Registry Law 5726 – 1965.

45. **"Initial Contractual Term"** shall have the meaning ascribed thereto in sections 5.1 of the Tender and section 3.1 of the Contract.
46. **"Initial Performance Bond"** shall have the meaning ascribed thereto in section 32.1 of the Agreement.
47. **"Initial Production Stage"** is the first stage of the Production Phase, which commences with the onset of the Production Phase and terminates ninety days thereafter.
48. **"Interim System"** is a biometric matching system that will operate until System Acceptance Day or until a later date. Biometric Records from the Interim System will be exported to the System as standard batches.
49. **"Key Employee"** means an employee with at least one year hands-on experience in customizing, implementing, optimizing and production of a Biometric Matching System of at least two million records, and based on fusion of at least two independent biometrics, one of which is fingerprint matching.
50. **"Key Subcontractor"** shall have the meaning ascribed thereto in section 15.1.2 of the Tender.
51. **"Key Workflow"** shall have the meaning ascribed thereto in Appendix B2 of the Technical Requirements.
52. **"Law"** shall mean the Inclusion of Biometric Means of Identification within Identification Documentation and Database Law, 5769 – 2009, the Inclusion of Biometric Means of Identification within Identification Documentation and Database Regulations, 5771 – 2011, and the Inclusion of Biometric Means of Identification within Identification Documentation and Database Order (Trial Period), 5771 – 2011.
53. **"M&D"** shall have the meaning ascribed thereto in section 16.1 of the Contract.
54. **"M&D Hour Price"** or **"M&D-H-P"** shall have the meaning ascribed thereto in section 28.1.6 of the Tender.
55. **"Means of Control"** means, in a corporation, any of the following:
 - 55.1. The right to vote at the general meeting of a company or at an equivalent meeting of another entity;
 - 55.2. The right to appoint a director or General Manager in an entity.
56. **"Ministry"** shall have the meaning ascribed thereto in section 34.2.8 of the Agreement.

57. **"MMI"** shall have the meaning ascribed thereto in section 16.3.3.1.1 of the Technical Requirements.
58. **"New Unique Record"** is a biometric record that belongs to a person which was not previously enrolled in the System and whose biometric data are not in the System. It is hereby clarified that a renewal of Identification Documents of a person who was previously enrolled in the System is not considered as a New Unique Record.
59. **"New Unique Record Price"** or **"NUR-P"** shall have the meaning ascribed thereto in section 28.1.1 of the Tender.
60. **"Non-critical Bug"** means bugs, malfunctions or operational problems that are not Critical Bugs.
61. **"Ongoing Production Stage"** is the second stage of the Production Phase, which commences ninety one days from the onset of the Production Phase and terminates upon the termination of the Agreement.
62. **"Parent Company"** is a company that holds eighty five percent or more of any Means of Control in a company.
63. **"PIBA"** is the Population and Immigration Authority in the Ministry of Interior.
64. **"Pilot Period"** shall have the meaning ascribed thereto in section 2.4 of the Tender. Please note that Pilot Period may be extended for four years.
65. **"Pre-production Stage"** is the fifth stage of the Setup Phase, which commences with the termination of the Test Stage and terminates on System Acceptance Day.
66. **"Production Phase"** is the second phase of this Agreement, which commences on System Acceptance Day and terminates upon the termination of the Agreement. This phase consists of the Initial Production Stage and the Ongoing Production Stage.
67. **"Project Manager"** shall have the meaning ascribed thereto in section 20.3 of the Agreement.
68. **"Proposal"** means, for the purpose of the Agreement, the proposal submitted by Supplier, and was awarded the Tender; including all the clarifications made by Supplier during the Tender process.
69. **"Proposal Form"** is Appendix C of the Tender.

70. **"Proposed System"** means all components, including hardware and software, that are included in the Respondent's proposal. It is hereby clarified that the Proposed System includes the Standard Servers.
71. **"Purchaser's Information"** shall have the meaning ascribed thereto in section 22.5.3 of the Agreement.
72. **"Purchaser's IP"** shall have the meaning ascribed thereto in section 22.5 of the Agreement.
73. **"Purchaser's Representative"** is the IT Manager of the Authority or any individual appointed by the Director General of the Authority to oversee the Agreement.
74. **"Qualified Respondent"** is a Respondent that is qualified as compliant with the mandatory criteria stipulated in this Tender.
75. **"Qualitative Score"** means the sum of all the points accumulated by Respondent according to sections 24-27 of the Tender.
76. **"Reference Year"** shall have the meaning ascribed thereto in section 15.2 of the Tender.
77. **"SAT"** shall have the meaning ascribed thereto in section 12.3 of the Agreement.
78. **"Setup Phase"** is the first phase of the Agreement, which commences upon the signing of the Agreement and terminates at the System Acceptance Day. This phase consists of the Detailed Specifications Stage, the Customization Stage, the Training Stage, the Test Stage and the Pre-production Stage.
79. **"SOW"** shall have the meaning ascribed thereto in section 10.7 of the Agreement.
80. **"Standard Server"** means the server configuration set forth in Appendix B3.
81. **"Stage"** shall have the meaning ascribed thereto in section 9.1 of the Agreement.
82. **"Stage Transition Confirmation"** shall have the meaning ascribed thereto in section 9.3 of the Agreement.
83. **"Subsidiary"** is a company in which another company holds eighty five percent or more of any Means of Control.

84. **"Supplier"** is the Respondent that is awarded the Tender and with which the Contract will be signed.
85. **"Supplier's IP"** shall have the meaning ascribed thereto in section 22.8 of the Agreement.
86. **"Supplier's Representative"** for the purpose of the Agreement, shall have the meaning ascribed thereto in section 20.1 of the Agreement.
87. **"Support and Troubleshooting Guidelines"** shall have the meaning ascribed thereto in section 10.7 of the Agreement.
88. **"System"** means all components, including hardware and software, that the Supplier is required to deliver or to supply to the Authority according to its Proposal (including the Proposed System) and the Agreement (including M&Ds).
89. **"System Acceptance Day"** shall have the meaning ascribed thereto in section 14.3 of the Agreement.
90. **"System Documentation"** shall have the meaning ascribed thereto in section 7.1 of the Agreement.
91. **"Technical Requirements"** is appendix B of the Tender.
92. **"Technology Subcontractor"** is each of the following:
 - 92.1. The owner of the rights in the fingerprint engine;
 - 92.2. The owner of the rights in the face engine;
 - 92.3. The owner of the rights in the fusion mechanism;
 - 92.4. Any subcontractor which is incorporated in Israel;
93. **"Tender"** means Tender No. 82/2013 for the Supply of a Biometric Matching System.
94. **"Tender Committee"** means the tender committee of the Ministry of Interior.
95. **"Tender Documents"** means this document including all its appendices and all clarifications published by Tender Committee according to section 34 of the Tender, if any.
96. **"Test Clustering System"** shall have the meaning ascribed thereto in section 23 of the Technical Requirements.

97. **"Test Clustering System Price"** or "TCS-P" shall have the meaning ascribed thereto in section 28.1.5 of the Tender.
98. **"Test Stage"** is the fourth stage of the Setup Phase, which commences with the termination of the Training Stage and terminates after thirty days, with the commencement of the Pre-production Stage.
99. **"Training Program"** shall have the meaning ascribed thereto in section 11.4 of the Agreement.
100. **"Training Stage"** is the third stage of the Setup Phase, which commences with the termination of the Customization Stage and terminates after fourteen days, with the commencement of the Test Stage.
101. **"Travel Documents"** shall have the meaning ascribed thereto in section 6 of the (Israeli) Passport Law 5712 –1952.
102. **"Unique Identifier"** shall have the meaning ascribed thereto in section 13.1.2 of the Technical Requirements.
103. **"Verification"** means the process of comparing a biometric sample submitted by a person, against the (specific) biometric reference template (1:1) of a single enrollee whose identity is being claimed (one-to-one process), to determine whether it matches the enrollee's template. Contrast with "Identification".
104. **"Website"** is the website with the Internet address: www.moin.gov.il, under the link "Publications and Tenders" (direct link: (<http://www.moin.gov.il/PublicationsAndUsefullInfo/Tenders/Pages/default1.aspx>)).
105. **"Weighted Price"** or **"WP"** shall have the meaning ascribed thereto in section 31.1 of the Tender.
106. **"Workflow M&D"** is an M&D, whose purpose is to add to the System a workflow that is similar in complexity to the Key Workflow. A Workflow M&D includes defining (in collaboration with Purchaser), designing, validating, implementing, testing, installing, documenting, training and optimizing of the workflow by the Supplier.
107. **"Working days"** are Sunday to Thursday, excluding Jewish holidays and the eve of these holidays, as is customary in Israel.

Appendix B: Technical Requirements

1. General

- 1.1. As a precondition to participation in the Tender, the Proposed System must comply with all the requirements, properties, terms and specifications which are mandatory according to this appendix.
- 1.2. As a precondition to participation in the Tender, the Proposed System must be consistent with all the information presented as "Relevant Information" in this appendix.
- 1.3. Respondents are kindly asked to contact the Tender Committee during the clarification stage of the tender (section 34 of the tender) regarding any misunderstanding or requirement stipulated in this appendix with which the Proposed System does not comply.
- 1.4. Please note that this appendix details requirements for the Proposed System. Project milestones and additional undertakings of the Supplier are stipulated in the Agreement.
- 1.5. According to the Agreement, a failure of the System (supplied by the Supplier to the Authority) to comply with the requirements set forth in this appendix, may entitle the Authority to liquidated damages or may constitute a fundamental breach of the Agreement. Please see section 18 of the Agreement.

2. Preventing Duplicate Enrollments

2.1. Mandatory Requirements

- 2.1.1. **The Proposed System must prevent duplicate enrollments**, providing a very high probability for detection of any such events or attempts, as stipulated in the Tender Documents. It will do so based on fusion of two biometrics, consisting of two flat fingerprints and a face image.
- 2.1.2. The Proposed System must perform De-duplication (1:N matches) of all the records it receives within a Batch. It is hereby clarified that the Proposed System must perform De-duplication of records that are flagged as a renewal request (e.g. in cases of a renewal of an Identification Document).

3. Independent Maintenance by Purchaser

3.1. Relevant Information

3.1.1. The Law restricts access to the system, due to its sensitivity and classification. Therefore, during the Ongoing Production Stage, the System will be required to be **independently and solely maintained by the Biometric Authority**. Notwithstanding the above, in certain limited cases, Purchaser may allow restricted access to the System, subject to approvals of Purchaser's Information Security Officer. In such cases, access will be allowed to applicative data only, and **in any case, no access will be allowed to biometric records or data**.

3.1.2. Remote access to the System will not be allowed in any way. Moreover, data will not be exported from the System to external systems, except for **log data** which may be exported to an external SIM system (Security Information Management); **encrypted backup data** (via secure communications protocols); and other data - in extreme cases, and all of these cases – in accordance with Israeli legislation and subject to the approval of the Information Security Officer of the Authority. Supplier must therefore take into consideration that it will be required to execute site visits in certain cases.

3.1.3. Notwithstanding the above, Supplier will provide Purchaser with professional support, updates and upgrades, bug fixes and workarounds, as stipulated in the Contract.

3.2. Mandatory Requirements

3.2.1. Independent maintenance of the System by the Biometric Authority, with no access allowed for the Supplier (**except as stipulated in the Tender Documents**), may introduce certain risks. The Proposed System must reduce such risks to the minimal level possible.

3.2.2. The Proposed System will provide, in any case of malfunctioning of the System or any part thereof (including

system crashes), a log with clear and detailed information pertaining to the cause of the malfunction, and whether such malfunction was caused by the application software (specifying which part thereof) or by the infrastructure (Hardware components, Operating System or Database software); the information provided should isolate as much as possible the specific component which is suspected to have caused the malfunction.

4. **Minimum Dependence on Supplier**

4.1. **Mandatory Requirements**

4.1.1. The Proposed System must allow minimum dependence of the Purchaser on Supplier. The following are mandatory for compliance with this condition:

4.1.1.1. The Proposed System must allow the Purchaser to manage all raw data independently.

4.1.1.2. The Purchaser will have access to all administrative functions of the System, including use of system level and user passwords, all set by Purchaser.

4.1.1.3. The Proposed System must allow integration and use of new algorithms and algorithms from different vendors (e.g.: additional or replacement fusion or matching algorithms).

4.1.1.4. The hardware and infrastructure will be based on the **Standard Server**. **All components of the Proposed System** in all environments, except for user stations, must be based on and installed on Standard Servers, and may not be configured or installed on PCs or workstations.

4.1.2. The Proposed System must allow replacement of hardware components with comparable hardware components from common vendors. **The Proposed System will not include proprietary hardware.**

- 4.1.3. Without derogating from the generality of the above, the Proposed System must be able to support transition from Standard Servers to the next generation of servers (G8).
- 4.1.4. The Proposed System shall include a tool which will enable Purchaser to convert data from the raw data to proprietary formats used in the System.
- 4.1.5. The Proposed System software licensing must not rely on hardware components (such as dongles).
- 4.1.6. The Proposed System must not use built in hardware identifiers in any way, for licensing purposes (such as an HSM serial number or a MAC address).

4.2. Relevant Information

- 4.2.1. Purchaser may decide to develop certain modules which are external to (or a layer above) the system (e.g. to modify, replace or add MMI components, access data in the database, etc.). Therefore, according to the Contract, Supplier undertakes to provide Purchaser with an API, including detailed documentation.

5. Fusion

5.1. Relevant Information

- 5.1.1. For calculation purposes, Respondent should assume that two percent (2%) of the records of adult population (age over twelve) will contain only face images.
- 5.1.2. Records of children under twelve years old will not contain fingerprints unless specifically requested by the parents.

5.2. Mandatory Requirements

- 5.2.1. When fingerprints are available, the Proposed System will use face recognition as a supplemental biometric. The score from the fingerprint subsystem must be fused with the score from the face recognition algorithm.
- 5.2.2. **For those cases where there are no fingerprints or where fingerprints are of poor or insufficient quality, the**

Proposed System will use face recognition as the main biometric.

5.2.3. All scores regarding biometrics and fusion should be normalized to values between 0-100.

6. Search Procedures

6.1. Mandatory Requirements

6.1.1. Matching of fingerprints by the Proposed System must comprise **matching of each fingerprint presented to the System against each and every fingerprint in the Database and each and every finger in the Batch file** - (both hands, all existing fingers, **including comparison between the two fingerprints of a candidate**, thus also checking for attempts of swapping fingers during enrolment).

6.1.2. Search procedures of the Proposed System must be adaptable to new search algorithms and policies.

6.1.3. The Proposed System will allow Purchaser to modify thresholds without the need to recompile the system.

7. System lifespan

7.1. Mandatory Requirements

7.1.1. The operational lifespan of the system must be at least ten years.

8. Performance

8.1. Relevant Information

8.1.1. The Biometric Authority should be able to provide all final results and decisions (after automatic and manual processing) for each record and for each batch of records before the start of the next working day.

8.1.2. "**Batch**" means a number of records which are received together and should be processed together.

8.1.3. "**Daily Batch**" means one Batch or more which are received in the same day.

- 8.1.4. Daily Batch will not exceed ten thousand records, subject to section 8.1.5.
- 8.1.5. There will be certain cases when Daily Batches will accumulate over a period of time. In such cases the backlog will be handled by registering up to five Daily Batches each working day. This is expected to occur in the Initial Production Stage and during the first months of the Ongoing Production Stage, when **all** biometric records that have been enrolled until that date and processed by the Interim System will be incrementally uploaded and processed by the System. It may also occur in certain "peak" cases.
- 8.1.6. Response time will be measured from starting the Batch loading, until completion of the Batch's automatic processing (i.e. until it is possible to start the Batch's manual processing).
- 8.1.7. Respondents should base their calculations regarding the performance of the Proposed System on the assumption that all of the records contain face and two fingerprints images.
- 8.1.8. Please see sections 10 and 11 for additional mandatory requirements relating to System Performance.

8.2. Mandatory Requirements

- 8.2.1. The Proposed System must complete the processing of a Batch of five thousand records against a given database ("**Batch Processing Response Time**" or "**BPRT**") as follows:

Maximum number of records in the Database	BPRT
1,000,000	Within an hour from the initiation of the Batch loading.
3,000,000	Within two hours and a half from the initiation of the Batch loading.

5,000,000	Within 3 hours from the initiation of the Batch loading.
7,000,000	Within 4 hours from the initiation of the Batch loading.

8.2.2. Upload(s) of Batches would not preclude simultaneous user operations.

8.3. Quality Criteria

8.3.1. The Respondent shall receive one point for a Proposed System which allows processing a Batch of no more than twenty five records, which receives high-priority and **requires immediate handling ("High Priority Batch")** within up to thirty minutes, regardless of whether another Batch is or is not being handled by the System, provided that:

8.3.1.1. The BPRT of the Proposed System shall not be affected by High Priority Batch; and

8.3.1.2. No additional cost or servers are required and there are no other implications on Purchaser; and

8.3.1.3. Upload(s) of High Priority Batches would not preclude simultaneous user operations.

8.3.2. The Respondent shall receive points for a Proposed System which provides enhanced performance with no additional costs, servers or any other implications on Purchaser, as follows:

8.3.2.1. The Proposed System's BPRT complies with all the following performance data – **two points**:

Maximum number of records in the Database	BPRT
1,000,000	Within one half of an hour from the initiation of the Batch loading.
3,000,000	Within one hour from the initiation of the Batch loading.
5,000,000	Within one and a half hours from the initiation of the Batch loading.
7,000,000	Within two hours from the initiation of the Batch loading.

8.3.2.2. The Proposed System's BPRT complies with all the following performance data – **three points**.

Maximum number of records in the Database	BPRT
1,000,000	Within one third of an hour from the initiation of the Batch loading.
3,000,000	Within one half of an hour from the initiation of the Batch loading.
5,000,000	Within three quarters of an hour from the initiation of the Batch loading.
7,000,000	Within one hour from the initiation of the Batch loading.

Respondent that is awarded points according to this section shall not be awarded points according to section 8.3.2.1.

9. **System Accuracy**

9.1. **Relevant Information**

9.1.1. The System accuracy shall be measured based on all of the records of adult population (over twelve years old).

9.1.2. Respondent should base their calculations on the following assumptions:

9.1.2.1. At least ninety eight percent (98%) of the records of adult population (age over twelve) will contain both face and fingerprints images. The remaining records shall contain face images only.

9.1.2.2. Records of children (under twelve years old) will not be considered within the FAR/FRR calculations.

9.1.2.3. At least ninety percent (90%) of the records which contain fingerprints shall contain fingerprints images that comply with NIST NFIQ (NIST Fingerprint Image Quality) level 1 or 2. The remaining fingerprints images may contain fingerprints images that comply with NIST NFIQ level 3, 4, or 5.

9.1.2.4. If a False Match report includes more than one record from the database, the calculation will include all the records and not just one record.

9.1.3. To remove any doubt, the FAR and FRR are measured based on the results of the automatic processing stage only (before considering the decisions made by operators).

9.2. **Mandatory Requirements**

9.2.1. The FAR (FMR) of the Proposed System while performing De-duplication or Identification must not exceed one percent ($\leq 1\%$) for a database size of ten

million records (FAR for database that is smaller than ten million records will be linearly proportional, e.g. FAR for database of one hundred thousand must not exceed one hundredth of percent ($\leq 0.01\%$)).

9.2.2. The FAR of the Proposed System while performing Verification must not exceed 0.01%.

9.2.3. The FRR of the Proposed System while performing De-duplication or Identification must not exceed one and five tenths percent ($\leq 1.5\%$).

9.2.4. The FRR of the Proposed System while performing Verification must not exceed 1%.

9.3. Quality Criteria

9.3.1. The Respondent shall receive points for a Proposed System which provides an improved FAR with no additional costs, servers or any other implications on Purchaser, as follows. Points may be received for one of the sections below only (mutually exclusive):

9.3.1.1. The Proposed System's FAR while performing De-duplication or Identification does not exceed nine tenths percent ($FAR \leq 0.9\%$) – **one point**.

9.3.1.2. The Proposed System's FAR while performing De-duplication or Identification does not exceed eight tenths percent ($FAR \leq 0.8\%$) – **two points**.

9.3.1.3. The Proposed System's FAR while performing De-duplication or Identification does not exceed seven tenths percent ($FAR \leq 0.7\%$) – **three and a half points**.

9.3.2. The Respondent shall receive one point for a Proposed System which provides, while performing De-duplication or Identification, an FRR that does not exceed one and two tenths percent ($FRR \leq 1.2\%$) with no additional costs, servers or any other implications on Purchaser **or on Proposed System's FAR**.

10. Scalability

10.1. Mandatory Requirements

10.1.1. The Proposed System must be able to handle a capacity of **up to ten million records** (in the biometric database) of up to seven million distinct enrollees and to support the 1:N matches of **up to 10,000 uploaded records per day** (comparing each specific biometric with the entire database), providing final approval/rejection results and decisions (this includes all Authority internal activities, manual processes, decisions, etc.) **no later than by the beginning of the next working day**. Please see section 8.2.1

11. Architecture

11.1. Relevant Information

- 11.1.1. Purchaser's facilities may be located in several different sites.
- 11.1.2. According to the Contract, the Supplier shall provide a simulative database and test database records for the Test Environment. Please see Schedule 3 of the Agreement for further details.
- 11.1.3. The Staging Environment will most likely be operational for relatively short periods of time as a transitional system - whenever changes are made to the Production system. Therefore, while its hardware will be installed and operational, it will actually be used quite infrequently (except possibly during the Setup Phase and Initial Production Stage). Thus, use of licenses will be "temporary". If specifically requested (in advance) by Supplier, Purchaser will agree to notify the Supplier whenever this environment is being used.
- 11.1.4. Supplier will not be allowed to access the Staging, DRP and Production Environments (including installation and maintenance activities), unless specifically requested and approved by Purchaser; and subject to provisions of the Law.

11.1.5. Please see Schedule 3 of the Agreement for additional undertakings regarding the System environments.

11.2. Mandatory Requirements

11.2.1. No usage of PC's or workstations is allowed (other than end-user PCs); only use of Standard Servers is allowed.

11.2.2. The Proposed System shall be comprised of **five** fully functional environments:

11.2.2.1. **Test Environment** (at Purchaser's facilities) – including a simulative database. The Test Environment will allow Purchaser to test all aspects of functionality, accuracy and approximate performance, for database size of up to five hundred thousand records. The Test Environment will enable software and System development and testing as required. The environment will be functionality identical to the Production environment, excluding the redundancy and high availability capabilities. Processing time in the Test Environment should be no more than four times that of the Production Environment.

11.2.2.2. **Staging (Pre-Production) Environment** (at Purchaser's facilities) -

11.2.2.2.1. The Staging Environment will serve as a transitional system for transferring tested software applications from the Test Environment to the Production Environment, thus ensuring more reliable and secure software fixes and upgrades.

11.2.2.2.2. Staging Environment should have the same functionality as the Production Environment excluding

the redundancy and high availability capabilities. There is no need to use the same number of Standard Servers, as long as **identical functionality is maintained** and performance is such that the processing time of a batch will not exceed four times that of the same batch in the Production Environment.

11.2.2.3. **Production Environment** (at Purchaser's facilities). The Production Environment will include redundant elements which will enable high availability as described in section 18.2.

11.2.2.4. **DRP Environment** (at Purchaser's facilities) – a completely identical copy of the Production Environment. The DRP Environment will be used for Purchaser operations when the Production Environment is unavailable.

11.2.2.5. **Integration Environment** (not at Purchaser's facilities) - this is the sole responsibility of the Supplier, and is outside the scope of the Tender. It is the Supplier's responsibility that this environment will imitate and simulate the Production Environment, for the purpose of remote support, bug-fixes, workarounds, etc.

11.2.3. The Proposed System will include at least the following components for each environment:

11.2.3.1. **Database**

11.2.3.1.1. The Proposed System will be based on a standard, off-the-shelf SQL (e.g.: MSSQL, Oracle), (ISO) Database.

11.2.3.1.2. Database licenses will not be limited for use only with the Biometric Matching application (therefore, Purchaser may use the Database for additional applications).

11.2.3.1.3. Respondents may base their proposal on database licensing that is limited to twenty five users (for each of the environments).

11.2.3.2. Storage

11.2.3.2.1. Purchaser will provide, for each of the Production, DRP, Test and Staging environments, file storage servers with 3TB storage space which may be expanded in the future as needed.

11.2.3.3. Control and supervision

11.2.3.3.1. Please see the requirements stipulated in section 20.

12. **Backup**

12.1. Mandatory Requirements

12.1.1. The Proposed System must include a built-in mechanism for backup. This mechanism will create an **encrypted online backup** that can be exported (either via secure common communication protocols or via external devices) without degrading Proposed System's BPRT.

13. **Data collection**

13.1. Relevant Information

13.1.1. According to the Law, the Biometric Database must not include information that will allow identifying the enrolled person.

13.1.2. **"Unique Identifier"** means a number which is an identifier of the person's identity (similar to an ID number). It is unique per identity. Therefore, if a single citizen makes several Travel Document or Identification Card requests over time, all of them will have the same Unique Identifier.

13.2. Mandatory Requirements

13.2.1. The Proposed System must provide, for each data element that it logs, all pertinent information (including, but not limited to: time stamp, source, destination, element which has been changed, value, and user identification) as relevant, in a format which will enable further processing by the Purchaser.

13.2.2. All data logged by the Proposed System must be retrievable via simple queries. Certain queries may be subject to user privilege enforcement (as will be defined during the Detailed Specifications Stage).

13.2.3. The Proposed System will enable displaying any logged data.

13.2.4. The Proposed System must maintain **all logs** in a **standard format** (preferred formats are CSV and TXT – final formats will be determined and approved by Purchaser in the Detailed Specifications Stage), enabling export to external systems (such as SIM – Security Information Management Systems), subject to user privileges.

13.2.5. The Proposed System must log at least the following data:

13.2.5.1. All data relevant to the queries set forth in section 15.

13.2.5.2. Total and daily number of queries submitted and their initiating user.

13.2.5.3. Total and daily number of duplicate enrollment simulations and their source(s) - this data will present the number of times in which an external entity will initiate access to the Biometric Database.

- 13.2.5.4. Number of enrolment records received for each Unique Identifier.
 - 13.2.5.5. Number of searches that were done using only face recognition - this data will reflect the number of cases in which it was not possible to use fingerprints.
 - 13.2.5.6. Number of duplicate enrolments that were detected (with all relevant complementary information – e.g.: threshold levels, etc.).
 - 13.2.5.7. The specific fusion algorithm which was used for each fusion event (if relevant).
 - 13.2.5.8. Details of each Batch load operation.
 - 13.2.5.9. Batch processing duration, also indicating their sizes.
 - 13.2.5.10. Response times for verification requests (for future use) – including average and maximum times.
 - 13.2.5.11. Total and daily number of Verification requests (for future use).
 - 13.2.5.12. All data necessary for providing the reports as detailed in section 14 below and in Respondent's proposal.
 - 13.2.5.13. In any event of malfunctioning of the System or any part thereof, Proposed System will log information as stipulated in section 3.2.2.
- 13.2.6. In addition, the System will generate detailed logs for all events and actions as will be defined by Purchaser in the Detailed Specification Stage.

14. **Reports**

14.1. **Mandatory Requirements**

- 14.1.1. The Proposed System must include a reporting system. The reporting system will be based on a report generator and will

include predefined reports as detailed in section 14.1.3 below.

14.1.2. The reporting system must allow definition and execution of complex searches and operations (which can be defined by non-programmers), flexible and user definable reports, and export of data. Precise details and format of reports will be specified in Detailed Specifications Stage and is subject to approval by Purchaser.

14.1.3. The Proposed System will generate at least the following reports:

14.1.3.1. Operational Reports: Upload and processing report - This report will be issued after each upload and the completion of processing by the biometric engines. The report will be detailed and will include Batch number, number of requests, results, Batch creation time stamp, upload time stamp, request status (e.g.: automatically approved; in manual handling, etc.), user identifiers; in addition to auxiliary data originating in the batch XML file (e.g.: scanned photo, child/adult, etc.).

14.1.3.2. Accumulative Operational Reports - Based on the discrete reports, an accumulative report will also be generated, which summarizes them (between two given dates).

14.1.3.3. Relevant produced reports will include detailed attributes of the biometric samples, probe and candidates, for example finger identifier, hand identifier, NFIQ score, ranking, facial image quality metrics etc.

14.1.3.4. Fused scores will also be included in the reports, as relevant.

14.1.3.5. Quality reports for data received from enrollment offices - This report will indicate the quality of the

data (for each selected record). For Fingerprints: the NFIQ scores; for face images – the set of parameters that are produced by the enrollment systems (this information will be provided to the Supplier during Detailed Specifications Stage). The report will be by Batch, record identifier and date. In addition, the System will generate statistical reports (distribution of quality data by enrolment office, if applicable, etc.).

- 14.1.3.6. Decision reports - Will consist of the queue status, number of requests in each phase of decision, status of requests awaiting handling; for each such request – the reason(s) for forwarding to manual processing, record against which it is suspected and their matching scores; decisions of System users; user identifiers of the different decision makers, current status, etc.
- 14.1.3.7. Rejects reports (derived from Decision reports) - Detailed report by request, Batch, date.
- 14.1.3.8. Database Status: accumulative reports (between two dates) – Number of requests, statistical information about biometric data in Database, etc.
- 14.1.3.9. Biometric data reports - FM (False Match), FNM (False Non Match) reports, etc., including segmented data for each of the following cases:
 - 14.1.3.9.1. Face and two fingerprints;
 - 14.1.3.9.2. Face and one fingerprint;
 - 14.1.3.9.3. Face only;
 - 14.1.3.9.4. Two fingerprints only;
 - 14.1.3.9.5. One fingerprint only.
- 14.1.3.10. Periodic report – based on all the categories of the data collected according to sections 13.2.5

and 13.2.6. This report will be issued weekly; or per request (for any given time period).

14.1.3.11. Performance reports (continuous and weekly) -

14.1.3.11.1. System Performance;

14.1.3.11.2. Response time reports for all identification and verification queries.

14.1.3.12. Accuracy reports (continuous and daily; accumulative weekly and between any two dates).

14.1.3.12.1. Detailed reports of the scores of **each** of the biometrics, as well as the **fused** score, for each of the cases listed in section 14.1.3.9.

14.1.3.12.2. ROC (Receiver Operational Characteristics) graphs, for each of the cases listed in section 14.1.3.9.

14.1.3.13. Monitoring and audit Reports

The Proposed System's monitoring system will generate Reports at least for the following Security events:

14.1.3.13.1. Any changes to data records made through the System – including add, delete, copy, modify;

14.1.3.13.2. Any change in the System user permissions (granting, revoking, changing, etc.);

14.1.3.13.3. Unauthorized Queries including their initiators;

14.1.3.13.4. Access to sensitive data in Database (including by authorized users);

14.1.3.13.5. Actions by Administrator and other users with extensive permissions.

- 14.1.4. The Proposed system must enable defining and presenting statistical analysis of the accumulated data.
- 14.1.5. The Proposed system's report generator must enable broad search categories (including: by date, user, batch number, and request number, ID, status, and user definable categories).

14.2. Quality Criteria

- 14.2.1. The Respondent shall receive points for a Proposed System that provides a flexible report generator, as follows. Points may be received for one of the sections below only (mutually exclusive):
 - 14.2.1.1. Field-proven COTS, flexible report generator – one and a half points.
 - 14.2.1.2. Proprietary report generator, which is flexible and easily user definable – three quarters of a point.
 - 14.2.1.3. A hard coded report generator, which is definable or implementable by Supplier only, shall not entitle the Respondents with any points.

15. Queries and services

15.1. Mandatory Requirements

- 15.1.1. The Proposed System must provide only and all the queries and services specifically allowed in the Law, as detailed below and in the Tender Documents .
- 15.1.2. The Proposed System will provide the following set of queries:
 - 15.1.2.1. **De-duplication query**
 - Input: biometric data and claimed Unique Identifier;
 - Output: When relevant: Details of existing associated records and scores. In addition, one of the following:

- 15.1.2.1.1. **An Existing Biometric Record**, which is associated with the claimed Unique Identifier.
- 15.1.2.1.2. **A new biometric record** but its Unique Identifier already exists in the Database;
- 15.1.2.1.3. **A new biometric record** and its Unique Identifier doesn't exist in the Database;
- 15.1.2.1.4. **An existing Biometric Record** which belongs to someone else, while its claimed Unique Identifier does not exist in the Database;
- 15.1.2.1.5. **An existing Biometric Record** which belongs to someone else, while its claimed Unique Identifier exists in the Database with a different biometric record.

15.1.2.2. **Identification query** - this query answers the question "To whom does this biometric data belong?"

Input: biometric data;

Output: one of the following:

- 15.1.2.2.1. Record or a few records (ranking) exists in database; and Unique Identifier of owner of the biometric data, including scores;
- 15.1.2.2.2. A matching record does not exist in database.

15.1.2.3. **Verification query**

Input: biometric data and claimed Unique Identifier;

Output: yes or no including scores when relevant:

15.1.2.4. **Biometrics query** - this query will be available only in extreme cases and under special authorization.

Input: Unique Identifier;

Output: all associated biometric data.

Biometrics query will also allow authorized users to display the entire history related to the requested Unique Identifier, i.e.: – all previous biometric records associated with this Unique Identifier; any comments associated with these records.

16. **Image processing, display and comparison**

16.1. **Relevant Information**

16.1.1. The accuracy, efficiency and ease of use of the Proposed System by its users are highly important. Therefore, Purchaser attributes importance to highly efficient (swift, precise, structured and controlled) streamlining of manual handling and processing.

16.1.2. As such, an intuitive and highly optimized user interface, and a rich set of user-enabling tools for comparing and differentiating between images are important, since they improve the decision making process, minimize errors, and reduce labor.

16.1.3. The required display functionality detailed in this section is necessary in order to facilitate and improve comparisons of images by the System users (whom are **not forensic experts**).

16.1.4. In certain cases, using image processing and comparison functions may require dual control or user permissions. This will be defined during the Detailed Specifications Stage.

16.2. **Mandatory Requirements**

16.2.1. The Proposed System will support the high resolution display (enabling full screen and image data display on standard LCD

screens) and printing (enabling printing images at least at 600 DPI) - of fingerprints and face images, for the purpose of consulting forensic experts.

- 16.2.2. The Proposed System will display the biometric data (fingerprints and face) of the probe and all identities that were scored above the thresholds ("**Candidates**"), with ranking and score clearly marked, and clearly differentiating between probe and Candidates. This will allow the operator to visually review and compare the fingerprints and the face images. The System will also enable listing identities with scores that are below the threshold (with ranking).
- 16.2.3. The Proposed System will display each fingerprint (probe and Candidates) with all associated fingerprint data (finger and hand identifiers, NFIQ scores, ranking, etc.). The same will apply to Face images. Fused scores will also be displayed and included in the reports, as relevant.
- 16.2.4. The Proposed System will allow authorized users to display, and to apply all the image processing functions of the Proposed System, to any records (or specific images) that are associated with a Unique Identifier in the Database, or that is awaiting manual processing, at any time.
- 16.2.5. The Proposed System must allow at least all the following forms of display functionality (separately and in combination):
 - 16.2.5.1. User-selectable "side-by side" display of the different components of each record (face-by-face, fingerprint-by-fingerprint). Relevant meta-data will be displayed for each image.
 - 16.2.5.2. "Transform to B&W" (Black and White) (in the display only; the images stored in the Database will not change);
- 16.2.6. The Proposed System will allow Purchaser to add comments pertaining to the decision taken "reject/accept reason" regarding compared images, based on combo boxes (dynamic itemized lists, including "reject-reason" lists; and

addition of free-form comments. The Purchaser will be able to edit the combo box options). The detailed definition of this functionality will be finalized in the Detailed Specifications Stage.

16.2.7. The Proposed System will support the functionality detailed in this section 16.2 without affecting the original images as stored in the Database.

16.2.8. Fingerprint and face biometric sample images, and their respective scores, will be displayed in any case.

16.3. Quality Criteria

16.3.1. The Respondent shall receive points for each of the following features supported by the Proposed System (at no additional cost), provided that the original images stored in the Database are not affected, as follows (up to six points):

16.3.1.1. The Proposed System will automatically orientate and display the compared images (fingerprints and face images) in the same orientation - half a point.

16.3.1.2. The Proposed System allows, when the user marks a certain feature in one image (highlighting for comparison), to automatically highlight the identical feature or corresponding point in the compared image – one point.

16.3.1.3. The proposed System allows dynamic or user-directed blending of two scaled images - half a point.

16.3.1.4. The Proposed System allows authorized users to selectively view and precisely mark the eyes, in face images in which the Systems' face recognition engine has failed to automatically and definitively locate and mark the eyes, thus also enabling eye-distance measurements and comparisons. The marks will be stored and linked to the image in the database, will be available for

later use, and will be identified as marked data - one point.

16.3.1.5. The Proposed System allows authorized users to add markup signs (e.g.: mark unique image features such as scars, tattoos, etc.), which will be stored and linked to the image in the database, will be available for later use, and will be identified as marked data - half of a point.

16.3.1.6. The Proposed System allows selective zooming of an area, while concurrently displaying the corresponding zoomed area in its counterpart image - half of a point.

16.3.1.7. The Proposed System allows displaying and highlighting of key features and data (fingerprint minutiae - ridge bifurcations, ridge endings, islands, deltas, etc.; and key face parameters – eyes (centers, distances; and key **relevant** facial features) in the compared fingerprint images and face images (probe and candidates) - one point;

16.3.1.8. The Proposed System allows image processing functions, for facilitating efficient and accurate comparisons, including at least: zoom, pan, scroll, incremental or smooth rotate, selection and cropping region of interest, scale to size - one point.

16.3.2. The Respondent shall receive up to one and a half points for built-in unique display and comparison functionalities which are not listed in sections 16.2 or 16.3.1 and are included in the Proposed System at no additional cost, servers or any other implications on Purchaser, as follows:

16.3.2.1. Points shall be granted only for display and comparison functionalities that do not affect the original images as stored in the Database.

- 16.3.2.2. The display and comparison functionalities will be scored comparatively, according to their intuitiveness, relevance, effectiveness and variety.
- 16.3.2.3. The Respondent which proposes to the Authority a System that includes the highest number of display and comparison functionalities that are relevant, intuitive, effective and varied, shall receive a score of one and a half points. The other proposals will be graded comparatively to it.
- 16.3.3. The Respondent shall receive up to two and a half points for Proposed System's MMI, as follows:
 - 16.3.3.1. MMI will be scored comparatively, according to:
 - 16.3.3.1.1. Purchaser's overall impression of the man machine interface ("MMI");
 - 16.3.3.1.2. The ease-of-use, intuitiveness, clarity and efficiency of MMI;
 - 16.3.3.1.3. Quality of screens and display, user controls, System messages, effectiveness and relevance of the information displayed, colors, screen load and update times, Hebrew language support, etc.
 - 16.3.3.2. The Respondent which proposes a System whose MMI is the most qualitative, according to the foregoing criteria, shall receive a score of two and a half points. The other proposals will be graded relatively.

17. **Workflow**

17.1. **Relevant Information**

- 17.1.1. The efficiency of the user decision making processes is highly important to the Authority.

17.1.2. According to the Contract, the Supplier will provide the Authority with two Workflow M&Ds at no additional cost.

17.2. Mandatory Requirements

17.2.1. The Proposed System will allow defining, implementing, managing and controlling all of the following:

17.2.1.1. Workflow processes;

17.2.1.2. User roles;

17.2.1.3. User profiles and permissions;

17.2.1.4. Handling priorities;

17.2.1.5. Exception and error handling

17.2.2. The Proposed System must include the workflow defined in Appendix B2 ("**Key Workflow**").

17.3. Quality Criteria

17.3.1. The Respondent shall receive points for a Proposed System that provides a flexible workflow system, as follows. Points may be received for one of the sections below only (mutually exclusive):

17.3.1.1. COTS workflow system, including open source, which allows flexible and swift definition and implementation of the required workflows independently, by the System administrator or a qualified user of the System (including definitions of roles by authorized users, etc.) – one point.

17.3.1.2. Proprietary workflow system, which is flexible and supports all required features, and with which workflows can be easily defined and implemented by the System administrator or a qualified user – half a point.

17.3.1.3. A hard coded workflow system, which is definable or implementable by Supplier only, shall not entitle the Respondents with points.

- 17.3.2. The Respondent shall receive a quarter of a point for a Proposed System that provides a workflow system that enables Purchaser (non-programmers) to define additional roles.
- 17.3.3. The Respondent shall receive a quarter of a point for a Proposed System that provides a workflow system that enables the system administrator or a qualified (non-programmer) user to manage and control the all of the following:
 - 17.3.3.1. Assign specific records to specific users;
 - 17.3.3.2. Set priorities;
 - 17.3.3.3. Manage exceptions/errors and error handling.
- 17.3.4. Respondent shall receive up to one and a half points for a Proposed System that includes, at no additional cost, additional relevant workflows (based on Respondent's prior experience regarding such needs in similar projects), which are similar in their complexity and functionality to the Key Workflow (and are additional to the Workflow M&Ds), as follows:
 - 17.3.4.1. The additional workflows shall be evaluated separately according to their functionality, complexity, variety and relevance.
 - 17.3.4.2. The Respondent which proposes a System whose additional workflows are the most relevant and qualitative, according to the foregoing criteria, shall receive a score of one and a half points. The other proposals will be graded comparatively to it.

18. **Availability**

18.1. **Relevant information**

- 18.1.1. The System is strategic and critical, and is therefore expected to be operational 24/7/365.

18.2. **Mandatory Requirements**

- 18.2.1. The Proposed System's availability must be high, exceeding ninety nine point five (99.5%) uptime ;
- 18.2.2. Downtime of the Proposed System cannot exceed four hours per event; and no more than twelve events per twelve consecutive months; this includes (if necessary) downtime due to maintenance procedures.

19. **Information Security and Privacy**

19.1. **Relevant Information**

- 19.1.1. According to the Contract, Supplier must comply with Purchasers' security requirements, which will be defined by Purchaser during the Detailed Specification Stage, for hardening (implementing security mechanisms) of the application and the servers (including those which relate to the Internal Environment installed at Supplier's site for maintenance and support).
- 19.1.2. Please note that according to the Contract, all encryption mechanisms must be approved in advance, by Purchaser.
- 19.1.3. Services which require Administrator permissions will be defined in Detailed Specifications Stage (subject to Purchaser's approval).
- 19.1.4. Purchaser reserves the right to use external and independent monitoring and audit systems.
- 19.1.5. Please see the Contract for additional undertakings of the Supplier regarding information security.
- 19.1.6. Each record shall be linked to a Unique Identifier. Biographical or any other information regarding the identity of the person to which the biometric information in the record belongs (except the Unique Identifier), will not be stored in the Database.

19.2. **Mandatory Requirements**

- 19.2.1. The System must operate under a very strict security policy, aimed at preventing the abuse and leakage of information. All security policies and procedures of the Proposed System will comply with specifications of National Information Security

Agency (NISA) (which will be provided to the Supplier only), as well as internal security specifications and policies as detailed in the Tender Documents.

19.2.2. Encryption

19.2.2.1. The Proposed System will support secure communication among the system components, including the database (e.g.: HTTPS and other standard secure communication protocols).

19.2.2.2. The Proposed System's database must enable encryption using standard encryption algorithms which will be approved by Purchaser.

19.2.2.3. The key management method and encryption method will be approved by purchaser.

19.2.2.4. The Proposed System must enable adaptation of advanced or different encryption algorithms (This will be done only upon Purchaser's request, and subject to Purchaser's approval, as an M&D).

19.2.3. User and service Permissions

19.2.3.1. The Proposed System authorization mechanism will be based on MS-Windows Active Directory (AD).

19.2.3.2. The Proposed System will support the definition of segregated roles (e.g.: between users and administrators, or different kinds of users).

19.2.3.3. The proposed system will support the definition of at least the following roles (the roles and the exact definition of each role will be defined during the Detailed Specification Stage):

19.2.3.3.1. User;

19.2.3.3.2. Super user;

19.2.3.3.3. Administrator – only the administrator will have access to

define and change reports and system thresholds;

19.2.3.3.4. Auditor (reports and logs);

19.2.3.4. The Proposed System will support assigning permissions by **activities** and/or **resources** (e.g.: access to execution of a query; access to certain directories in the System, etc.).

19.2.3.5. The Proposed System will allow access to its database only to authorized users who will be granted the minimal required permissions for executing specific tasks and/or for accessing specific data.

19.3. Quality Criteria

19.3.1. The Respondent shall receive up to one and a half points for the quality of the database encryption solution of the Proposed System, as follows:

19.3.1.1. The database encryption solution allows simple and secure export and backup of the encryption key(s) to external components/devices –will be scored comparatively, based on the level of simplicity and security, up to one half of a point.

19.3.1.2. Database encryption solution allows simple and fast replacement of the encryption key(s) – will be scored comparatively, based on the level of simplicity and speed, up to half a point.

19.3.1.3. Database encryption solution allows key generation via external HSM – half a point.

19.3.2. A Proposed System which supports two **or** three factor authentication (e.g.: password + smart card or password + biometric authentication), will receive one half of a point.

20. Monitoring, Auditing and Control

20.1. Mandatory Requirements

- 20.1.1. The Proposed System must include a monitoring and audit system to detect and report illegal queries, intrusion attempts and leakage of information. This system will alert authorized users in such cases.
- 20.1.2. The Proposed System must audit at least the following events and actions:
 - 20.1.2.1. Any reading and writing of data to the System database, which is performed by any user using the System;
 - 20.1.2.2. Any changes in user permissions (delete, add, edit, copy);
 - 20.1.2.3. Login success and failure, multiple attempts;
 - 20.1.2.4. Unauthorized action attempts by users;
 - 20.1.2.5. Any application errors;
- 20.1.3. The Proposed System's auditing mechanism must provide a mechanism for ensuring that logs will not be tampered with.
- 20.1.4. The monitoring system of the Proposed System must provide comprehensive analysis and investigative capabilities, including (but not limited to):
 - 20.1.4.1. Who has accessed which data/information;
 - 20.1.4.2. Time stamp - When did each such activity occur;
 - 20.1.4.3. Source - Where did it originate from;
 - 20.1.4.4. Any query initiated;
 - 20.1.4.5. Any access to a record;
 - 20.1.4.6. Any modification and/or deletion of a record.

21. **Dual Control**

21.1. Relevant Information

- 21.1.1. Sensitive operations of the System (e.g. operations regarding information stored in the database), as well as sensitive events (e.g. De-duplication alerts) and certain unexpected

System states (all - as will be defined by Purchaser during the Detailed Specification Stage), will require dual control.

21.1.2. **"Dual Control"** means, in the context of this System, a control procedure whereby the active involvement of two people is required to complete a specified process. The pairs of people may be alternated, subject to adequate authorizations and Purchaser's decisions. These two instances of involvement may or may not have to be simultaneous.

21.2. Mandatory Requirements

21.2.1. Implementation of the Dual Control mechanism will be based on an MS-Windows supported authentication mechanism, e.g.: username and password, smart card, biometric scanners, etc.

21.2.2. At a minimum, the Proposed System will provide dual control based on two authorized users, whereby any decision and action pertaining to the relevant data will require the approval of two authorized logged-in users.

21.2.3. The Proposed System will provide all detailed alerts via the monitoring and control system that is provided according to section 20 (e.g.: multiple login attempts; attempts to over-ride settings, etc.). These alerts will be logged with all relevant data including, but not limited to - time stamps, source, users, category and type of operation, relevant case data, etc.

21.2.4. As a minimum, the following operations require dual control:

21.2.4.1. Final user decision regarding a record which the System has flagged as a suspected duplicated record.

21.2.4.2. Execution of specific tasks (as will be defined in the Detailed Specification Stage).

21.2.4.3. Executing any operation involving biometric data.

22. Service level

Any and all responses from the System (following all automatic processes of the Batch, as well as final decisions) must be completed as detailed in

sections 8.2.1 and 10.1.1, and in no case may any processing (for the automatic processing of the entire Batch) be completed after more than four hours, unless advance written approval is given by Purchaser for each such specific case.

23. **Test Clustering System**

23.1. **Relevant Information**

23.1.1. The Authority is considering the future adoption of Professor Adi Shamir's proposal to **cluster the database** into groups of approximately one thousand records each. This method is built upon cutting off the relationship between the Unique Identifier and its biometric data (see section 12 of Appendix B1 for further details).

23.1.2. A limited test of this concept may be executed during the Pilot Period for evaluation purposes, **concurrently with the System, and for a limited period of time ("Test Clustering System")**. The Test Clustering System will operate concurrently with the (un-clustered) System, **on separate (minimal) production infrastructure**. Data will be loaded in parallel to the System and to the Test Clustering System, on an ongoing basis.

23.1.3. The Clustered System will not operate in ongoing production, unless specifically approved as required by Israeli law.

23.1.4. Please see section 17 of the Agreement for further details regarding Supplier's undertakings in relation to the Test Clustering System.

23.2. **Mandatory Requirements**

23.2.1. Upload of biometric data to the Test Clustering System shall be Purchaser's responsibility, based on the existing upload mechanisms that have been provided for the System (adapted by the Supplier to the Test Clustering System, if relevant).

23.2.2. The Test Clustering System will operate based on matching engines, application software/middleware and thresholds which are identical to the System (with relevant adaptations as deemed necessary for the clustering), in order to ensure no

discrepancies between the Test Clustering System and the System.

- 23.2.3. All data relevant to the Test Clustering System will be clearly marked as such, and will be logged in a manner similar to the non-clustered system, such that it will allow Purchaser to fully analyze and compare all facets of the two systems (including, but not limited to accuracy, performance, ease of use, etc.).

24. Future Steps

24.1. Relevant Information

- 24.1.1. In the future, subject to future provisions of the Law (and subject to the outcome of tests of the Test Clustering System), Purchaser may decide to convert the Database of the System to a clustered Database, instead of the non-clustered Database. Currently, Purchaser does not expect this decision to be accepted before the Ongoing Production Stage.
- 24.1.2. If Purchaser decides to cluster the database of the System (in ongoing production), a detailed design will be executed as part of the M&D process.
- 24.1.3. In the future, subject to future provisions of the Law, Purchaser may decide to expand the System to support matching based on ten fingerprints and/or iris biometrics.
- 24.1.4. Please note that the Proposed System is not required to support ten fingerprints and/or iris at this stage, and therefore this should not be included in the pricing of the System.
- 24.1.5. In the future, the System may be required to support face and fingerprint images of higher resolutions or of improved standards. According to the Contract, the Supplier undertakes to adapt the System to improved standards regarding the quality of the images received from the enrolment devices at no additional cost to Purchaser.
- 24.1.6. In the future, some or all enrolment devices at enrolment sites **may be replaced by similar or more advanced devices** (e.g.: fingerprint scanners, camera, etc.). At such time, the

System will be required to support images originating from such devices, without degrading performance and accuracy.

24.2. **Mandatory Requirements**

- 24.2.1. The Proposed System must enable transition to a clustered database, with minimal changes and impact, if and when required.
- 24.2.2. The Proposed System must enable future expansion, if and when required by Purchaser, to support matching based on ten fingerprints, in a reasonable way.
- 24.2.3. The Proposed System must enable future expansion, if and when required by Purchaser, to support matching based on iris biometric enrolment, in a reasonable way.
- 24.2.4. The Proposed System must enable the future support of face and fingerprint images of higher resolutions or that comply with improved standards regarding the quality of images received from the enrollment devices.
- 24.2.5. The Proposed System must be able to support (in the future) images generated by different enrollment devices (similar to or more advanced than the current devices installed at PIBA's enrollment sites), along with images from former devices, without degrading System's performance and accuracy.

25. **Miscellaneous**

- 25.1. Respondent will identify and will clearly describe any additional or specific risks it envisions in the implementation of its proposed system; and will describe risk management procedures it intends to implement to minimize risks.
- 25.2. As a precondition for participation in the Tender, Respondent must state in the Technical Specifications Form, Appendix C5 of the Tender, that the information presented in Appendix B1 is acceptable, and that the Proposed System is consistent with all the information detailed therein.

Appendix B1: General Information on the Israeli Biometric Database Project

1. **General System Process Overview**

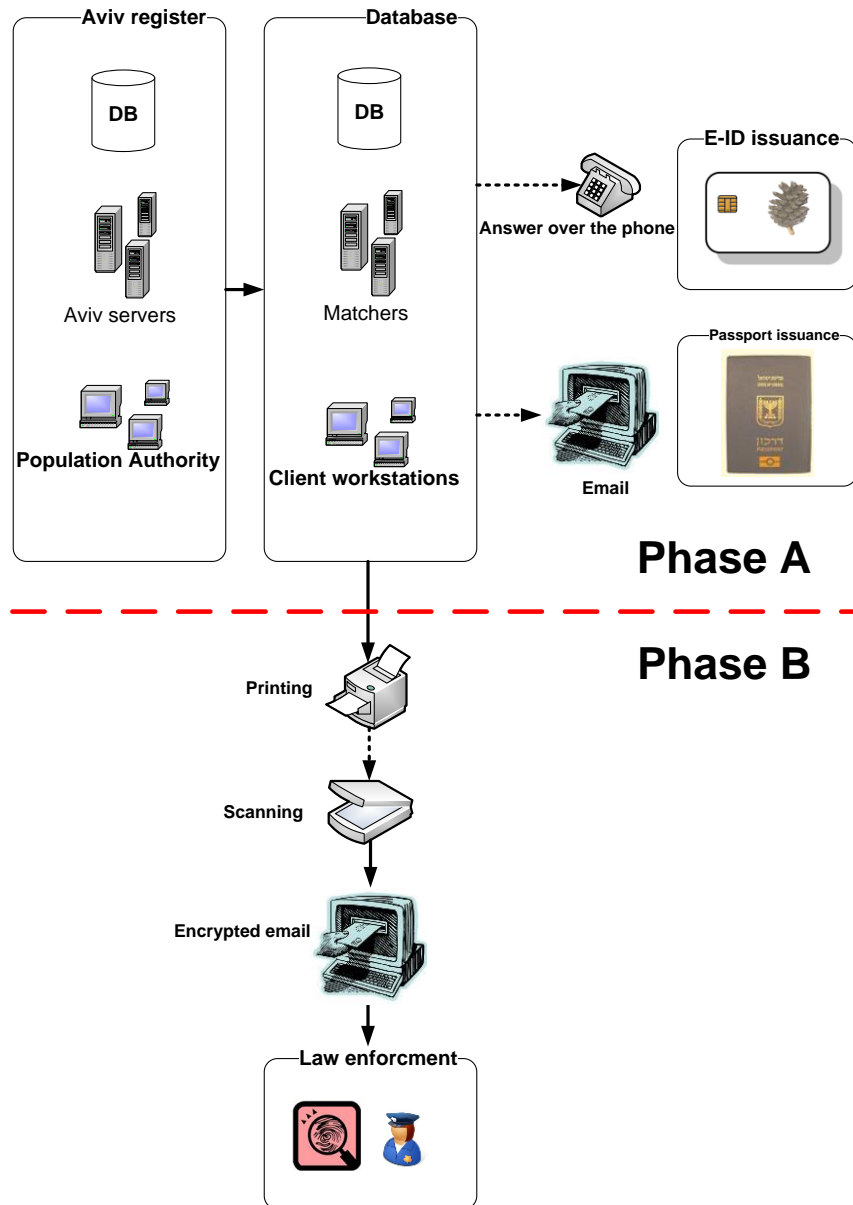
Enrollment records arrive to the Biometric Database from the Population Authority's "Aviv" Population Registry IT system, as **xml files**. The Biometric Database executes the search for duplicates and informs if the **Batch** is approved or if a duplicate was found. The structure of the XML files will be provided to the Supplier.

Answers are given by the Biometric Authority, from a system that is **physically separated from the internal, classified network**.

Only after a positive response (indicating that the records in the Batch are either new records; or that some of the records exist in the Biometric Database, but with no suspicion of duplicate enrollments) has been received from the Biometric Database for the entire Batch, will this Batch be approved for ID card and passport issuing.

Any indication of a suspicion of duplicate enrolment will be transferred per **individual record (not per Batch)** – in a way that ensures that handling that specific document issuance request will be halted.

When raw data must be provided to law enforcement agencies, it will be provided in full compliance with the requirements of the law.



2. **Storage of Personal Data**

Keeping any personal data, such as names, ID numbers, etc. (except for the necessary biometric data and Unique Identifier) is strictly prohibited according to the Law.

3. **WAN Connections**

No WAN connections are permitted and data will be transferred into the database through an "air gap". Data will also be checked using content filtering systems (provided and operated by the Purchaser).

4. **User interface**

Only authorized personnel of the Biometric Authority, and their official representatives (with an advanced written approval), will have access to the System. Access will be solely via their desktop PCs, which are disconnected from any other network, as described herein.

5. **Inputs**

Data from the enrollment system is composed of records from the various Population Authority offices. Each enrollment record is an XML file.

6. **Database Capacity, Record Size and Expected Search Rate**

The Biometric Database size will not exceed ten million records throughout the project lifetime. Typical record size will be approximately 100KB. The **peak expected number of requests per day** will not exceed 10,000 (other than peak events and backlogs, as stipulated in the Tender Documents).

7. **Information Security**

The data that is kept in the System is considered highly sensitive and should be protected in a very strict manner. **This database is classified "Top secret" and is supervised by the National Information Security Authority** and several other supervisory bodies.

Please note that once a hardware item has been connected to the classified network it cannot be returned and extracting data from it, as well as from any other component, is strictly forbidden.

8. **Interfaces**

Interface	Sender->Receiver		Frequency	Description	Phase
Receive enrollment records	PIBA	Authority	Several times a day	Data from enrollment is transferred through the "air gap", using a logical or physical one-way channel.	A
Response to PIBA	Authority	PIBA	For each Batch of enrollment records	Batch approval for document issuance; and when a duplicate is	A

				found.	
Queries from External Source	Source	Authority	As needed	Access <u>as approved according to law</u>	B
Answers to External Source	Authority	External Source	As needed	Access as approved <u>according to law</u>	B
Transfer of biometric data to External Source	Authority	External Source	As needed	Clause 18 of the law. No on-line connection.	A

9. **Operating Systems**

9.1. All client workstations will use Windows7 and all servers will use Windows Server 2008 R2 64 Bit, supplied by the Authority.

9.2. Client workstations will be standard, COTS PCs. They will be hardened according to common procedures, as defined in the NISA cookbook for the relevant security classification. **This hardening (implementing security mechanisms) as well as hardening for all COTS hardware which is supplied by Supplier, will be done by the Authority.**

The workstations will be installed with office applications (e.g. Microsoft Word and Excel) as well as a credential manager for smartcard and biometric login. Additional device drivers will also be installed, for a smartcard reader and a fingerprint reader.

No wireless connection is allowed including RF or Bluetooth for keyboards and mice. No dongles or other h/w licensing control mechanisms by Supplier will be allowed.

10. **LAN/WAN**

Client workstations will be connected to the application servers using a LAN connection (GBE), using SSL or IPSEC.

The total size of data transferred may be up to 1Gbyte each day (up to 10K transfer transactions of approximately 100Kbyte each), excluding peaks. Those records will be transferred to the system's network through a **one-way "air gap"**.

There will be absolutely no connection between the inner, classified network and any other network. The inner network will be physically separated from any other network as well, including the Ministry's organizational network.

11. **Enrollment Quality**

11.1. Error rates (FAR and FRR) strongly depend on the quality of enrollment. The enrollment systems that have been installed and implemented throughout the country **check the quality of face images according to a "reduced" subset of the ISO 19794-5 (as detailed herein)**. **Fingerprints are checked using the NIST-NFIQ scale and if the score is not "1" or "2" the fingerprint is rejected.**

11.1.1. Note that enrollment procedure enables the operator to override this and to allow fingerprints that do not comply with NIST NFIQ 1 or 2 to be enrolled in the system. It is expected that the number of such cases will be small.

11.2. Face images are acquired by a specially designed **biometric enrolment system**. Approximately 300 such systems have been deployed throughout the country. Acquired face images comply with the "relaxed" subset of ICAO 19794-5 requirements (as specified below), which is enforced during enrolment.

11.2.1. In rare cases the face image will be acquired using scanned photographs.

11.3. Face image characteristics

Face images will be assessed during enrollment according to the following table ("reduced" subset of ICAO 19794-5):

	Importance	Description
Head position	High	Looking forward
Size	High	General size, head position, eye position, pixels between eyes
Picture characteristics	High	Sharpness, color, resolution, red eyes
Lighting	High	Shadows, hot spots, exposure
Background	Medium	Uniformity, shadows, additional objects
Eyes	Medium	Eyes open, side looking, obstruction of eyes
Expression	Low	Open mouth, smile
Additional Information		<p>Pictures will be taken without glasses.</p> <p>Head covering for religious reasons will be allowed, provided that it does not hide the face from the top of the forehead to the bottom of the chin.</p>

11.4. Biometric Enrolment System

11.5. Standard Biometric Enrolment Systems have been deployed throughout the country. Additional information regarding these systems will be provided to the registrants to the Tender (please see section 32 of the Tender). Please note that according to the Contract, the Supplier undertakes to adapt the System to new and improved standards regarding the quality of face and fingerprints images which are received from the enrolment systems, upon Authority's request.

12. **Clustered Database**

12.1. A concept has been proposed by Prof. Adi Shamir from the Weizmann Institute of Science, which is based on **clustering of the database**, to **protect it against misuse and mission creep**.

12.2. According to the clustering concept, biometric data is kept in random clusters, in a way that breaks the normal 1:1 correlation between biometrics and Unique Identifier.

- 12.3. **This clustering makes the database very difficult to query for a single person's Unique Identifier, while searching for duplicate enrollments is still possible and such events will be detected with a very high probability.**
- 12.4. Matching a biometric record to a single identity requires a tedious and visible process that would be achievable for the approved external source (with much effort), but would be extremely hard for everyone else. The clustering process is **irreversible and random**.
- 12.5. The following is a general description of the clustering concept. Detailed specifications will be approved during the Detailed Specifications Stage.
 - 12.5.1. The database will be clustered into groups (clusters) of approximately 1000 biometric records per cluster (for the population size of the State of Israel); thus, the biometric data will point to many identities instead of one single identity.
 - 12.5.2. Each biometric record will be split into three different groups (one for the face image and two for the fingerprints)
 - 12.5.3. The actual clusters and the groups into which data is saved are randomly chosen by simple statistical algorithms. The statistical algorithms themselves are extremely simple and only need a high-quality random number as input for each new record.
 - 12.5.4. This algorithm ensures that new records will still be distributed into random clusters but those clusters will be filled quickly to avoid having clusters with very few records inside them, something that defeats the purpose of clustering.
 - 12.5.5. When suspicion of a duplicate enrollment is encountered, the details of the new record with the biometrics will be displayed to the user, concurrently with the suspicious records – together with the details of their associated clusters and groups (to which they belong).
 - 12.5.6. Authorized users will manually process the records, and if their decisions will confirm the suspicion, the ID number of the received record and the relevant ID numbers of the groups in which the suspicious biometrics were identified will be

transferred to the relevant organization, as stipulated in the law.

- 12.5.7. When an authorized query is received for displaying biometrics information for a specific ID number, all biometrics which belong to the group in which this ID was found (within the corresponding cluster) will be displayed.
- 12.5.8. When an authorized query is received for finding an ID number based on presented biometric information, all the IDs which belong to the group (within the relevant cluster) in which the biometric information was found will be displayed (if more than one such group was found, all relevant IDs from all the groups will be displayed).

Appendix B2: Key Workflow

1. General and Introduction

- 1.1. The following outline shares some facts relevant to the Biometric Authority that affect workflow management.
- 1.2. Please note that Purchaser views clear and efficient workflow processes, which are intuitive and easy-to-use by operators and supervisors, to be of importance.
- 1.3. The mainstream workflow at the Biometric Authority, will have four main stages:
 - 1.3.1. Importing a new package containing a number of individual requests.
 - 1.3.2. Processing the requests in Batch mode, clearing some of the requests (the low-risk ones, with scores beneath the thresholds) by the System and flagging others for human operators to review (the high-risk ones).
 - 1.3.3. Interactive decision taking by human operators about the high-risk requests based on the System MMI capabilities.
 - 1.3.4. Producing a report detailing the different requests' status.
- 1.4. Naturally there are offline processes (such as on-request reporting and logging, biometric matching engine performance reviews, etc.), and different less common handling cases which are not detailed in this Appendix.
- 1.5. Following is a short description of salient issues regarding each of these stages.

2. Stage 1 – Importing a new package

- 2.1. Several times a day, a new Batch will be imported into the System. Each Batch is characterized by a unique Batch serial number, a time stamp, the number and unique request identifiers of requests it contains, and the environment in which it was produced (such as test or production – a test package is not allowed into the production database, and vice versa).
- 2.2. Each request contains the following information:

- 2.2.1. Unique Identifier.
- 2.2.2. Unique request identifier – globally unique to this specific request.
- 2.2.3. Facial image.
- 2.2.4. Right hand fingerprint, and an identifier of which finger was sampled. May be omitted in some cases.
- 2.2.5. Left hand fingerprint, and an identifier of which finger was sampled. May be omitted in some cases.
- 2.2.6. Renewal – a binary flag indicating whether a request by this identity has been referred to the Authority before (this is an ID renewal request) or not (this is a new ID request).
- 2.2.7. Scanned – a binary flag indicating whether the facial image was taken live in a bureau, or scanned from a printed photo (in extreme rare cases).
- 2.2.8. Adult – a binary flag indicating whether the person is an adult or a child. Children would generally have a facial image only, with no fingerprints.
- 2.2.9. Additional data fields may be added in the future as necessary.

3. **Stage 2 – Batch processing**

The system will match the incoming biometric samples included within incoming requests with available biometric samples. The system will classify all incoming requests to high or low risk groups. This classification will be done according to the System thresholds, business rules, the results of the biometric matches and other data available, as detailed above. For low risk requests, no further action is required – as they are cleared. High risk requests will be handled by human operators at the next processing stage.

4. **Stage 3 – Interactive decision taking**

- 4.1. Human operators, via a user interface, will review each pending high risk request and decide how to proceed. They can make three possible decisions: permanently approve this request if the risk is cleared; permanently deny this request due to significant irregularities; or

hold/freeze the request pending additional inquiries. Requests held/frozen would later either be permanently approved or denied.

- 4.2. Some of the guidelines governing this stage include:
 - 4.2.1. Logging – all user decisions and actions must be logged by law.
 - 4.2.2. Dual control – certain user decisions and actions must be done by at least two operators. In all cases more than one operator must review each request, and there must be some arbitration and queue management mechanism between them.
 - 4.2.3. Presenting all available data – the operator will be given lists of other candidates with at least one similar biometric feature; the reason the request was categorized as high-risk; all available data about the incoming request and comparable similar records, etc.
 - 4.2.4. Categorized fields – the operator will be able to categorize the request and/or some of its attributes or biometric samples, for ease of later analysis and reporting. Those categories will describe the considerations and reasons for the operator's decision (such as facial image similarity, poor quality, etc.)
 - 4.2.5. Additional comments – the operator will be able to type in free-text comments about each such request.
 - 4.2.6. Finality – at some stage the user's decision becomes final and cannot be changed.
 - 4.2.7. Sanity check – the user will ascertain that there are no obvious irregularities with each high-risk request. These may include, for example, a biometric sample that is noticeably not up to standards.
 - 4.2.8. Additional information will be provided to the registrants to the Tender (please see section 32 of the Tender).
- 4.3. All display and image processing and comparison functionality as described in section 16.2, and all relevant data for above activities and operations, should be available and presented to the operator (in the

context of the activity). E.g.: pop-up of the face image or fingerprint image with relevant info (e.g.: image quality) during the sanity check; etc.

5. **Stage 4 – Report generation**

- 5.1. The system must generate different reports for operational and legal needs. The most common immediate operational need is reporting the state of batch requests back to other operational systems. The great majority of requests are expected to be approved quickly, in which case the relevant passports or ID cards would be cleared for printing. Other requests will remain in the waiting queue if frozen, or be removed from the queue if denied.
- 5.2. Other operational reports will be generated to allow monitoring and quality assurance. In addition, specific reports will be required to comply with various legal supervisory requirements.
- 5.3. Note that information security procedures impose restrictions on any export of data from the system, **as stipulated in the tender documents**. Normally reports would be printed, and the needed data would either be barcode-scanned or manually typed into other systems. Biometric data and personal information will not be exported from the system.

6. **General Comments**

- 6.1. At Any stage, relevant **probe Fingerprints and Face images as well as candidate lists and rankings**, as relevant, should be available for display via an intuitive and clear MMI, to the operator.

Appendix B3: The Standard Server

The servers that will be installed are the following:

Model: HP BL460C G7 blade server;
RAM: 48GB;
Hard disk: 2X 146GB SAS 15,000 rpm in RAID1;
Expansions: PCI card expansion unit (i.e. if needed for HSM);
Cost: 10,000 USD each.

The final configuration (including clustering and replication) will be based on multiple servers from the above-mentioned model according to the architecture proposed by Respondent .

Using physical servers is strongly preferred over virtualization. In case virtualization is needed the added cost of each virtualized server will be considered as 5,000 USD per single processor. Please note that the above-mentioned server contains two processors.

Appendix B4: A Summary of the Technical Quality Criteria

No.	Section in the Technical Requirements	Subsection	Requirement	Points
1.	<u>Performance</u> (section No. 8)	8.3.1	High Priority Batch	1
		8.3.2.1	BPRT of two hours	2
		8.3.2.2	BPRT of one hour	3
2.	<u>System Accuracy</u> (section No. 9)	9.3.1.1	FAR≤0.9%	1
		9.3.1.2	FAR≤0.8%	2
		9.3.1.3	FAR≤0.7%	3.5
		9.3.2	FRR≤1.2%	1
3.	Reports (section No. 14)	14.2.1.1	Field-proven COTS, flexible report generator.	1.5
		14.2.1.2	Proprietary report generator, which is flexible and easily user definable.	0.75
4.	Image processing, display and comparison (section No. 16)	16.3.1.1	The Proposed System will automatically orientate and display the compared images (fingerprints and face images) in the same orientation.	0.5

		16.3.1.2	The Proposed System allows, when the user marks a certain feature in one image (highlighting for comparison), to highlight automatically the identical feature or corresponding point in the compared image	1
		16.3.1.3	The proposed System allows dynamic or user-selectable blending of two scaled images.	0.5
		16.3.1.4	The Proposed System allows authorized users to selectively view and <u>precisely mark</u> the eyes.	1
		16.3.1.5	The Proposed System allows authorized users to add markup signs.	0.5
		16.3.1.6	The Proposed System allows	0.5

			selective zooming of an area, while concurrently displaying the corresponding zoomed area in its counterpart image.	
		16.3.1.7	The Proposed System allows displaying and highlighting of key features and data in the compared fingerprint images and face images.	1
		16.3.1.8	Image processing functions.	1
		16.3.2	Unique display and comparison functionalities.	1.5
		16.3.3	GUI	2.5
5.	Workflow (section No. 17)	17.3.1.1	Field-proven COTS (or open) workflow system.	1
		17.3.1.2	Proprietary workflow system, which is flexible and supports	0.5

			all required functionalities	
		17.3.2	The Proposed System provides a workflow system that enables Purchaser (non-programmers) to define additional roles.	0.25
		17.3.3	Proposed System allows system administrator or a qualified user to assign specific records to specific user; Set priorities; Manage exceptions/errors and Error handling.	0.25
		17.3.4	Additional relevant workflows	1.5
6.	Information Security (section No. 19)	19.3.1.1	The database encryption solution allows simple and secure export of the encryption key(s) to external components/devices.	0.5
		19.3.1.2	Database encryption solution allows	0.5

			simple and fast replacement of the encryption key(s).	
		19.3.1.3	Database encryption solution allows key generation via external HSM.	0.5
		19.3.2	The Proposed System supports two or three factor authentication (e.g: Password + Smart card or Password + biometric authentication)	0.5
Total maximum points				25

Appendix C: Proposal Form

1. **General**

- 1.1. These forms must be filled out completely and legibly and must be submitted as part of the Tender proposal.
- 1.2. Do not leave blank spaces empty. If the question is not pertinent to particular circumstance, please answer "**N/A**".
- 1.3. Respondents may add additional tables or rows.
- 1.4. Each form must be signed by the authorized signatory of Respondent.
- 1.5. All references on the Proposal Form to information about a contact person must contain such person's name, title and personal contact information (address, telephone, fax and email).

Appendix C1: General Proposal Form

1. Respondent information

Name of Respondent	Address of Respondent	
Telephone	Fax	Email
Details of Contact Person for Respondent		
Name of Contact	Title	Email
Telephone	Fax	Mobile

2. Incorporation (section 11 of the Tender)

- 2.1. Incorporation details of Respondent (corporation / association / partnership / other) _____
- 2.2. Identifying number (in the relevant register) _____
- 2.3. Country of incorporation of Respondent _____
- 2.4. Authorized signatories of Respondent and offices held with Respondent:

No.	Name	I.D number	Position in company	Sample Signature
24.1.				
2.4.2.				
2.4.3.				
2.4.4.				

3. **Experience in supplying biometric matching systems (section 15 of the Tender)**

3.1. The following are the Biometric Reference Projects presented within the proposal, via the Biometric Reference Form:

No.	Name of Biometric Reference Project	No. of page in the proposal
1.		
2.		
3.		

4. **Reference Projects of the Fusion Mechanism of the Proposed System (section 16 of the Tender)**

4.1. The following are the reference projects of the fusion mechanism of the Proposed System that are presented within the proposal, via the Biometric Engines Reference Form:

No.	Name of Biometric Reference Project	No. of page in the proposal
1.		
2.		
3.		

5. **Reference Projects of the Fingerprints Biometric Engine of the Proposed System (section 17 of the Tender)**

5.1. The following are the reference projects of the fingerprints biometric engine of the Proposed System that are presented within the proposal, via the Biometric Engines Reference Form:

No.	Name of Fingerprints Biometric Engine Reference Project	No. of page in the proposal
1.		
2.		
3.		

6. **Reference Projects of the Face Biometric Engine of the Proposed System (section 18 of the Tender)**

6.1. The following are the reference projects of the face biometric engine of the Proposed System that are presented within the proposal, via the Biometric Engines Reference Form:

No.	Name of Face Biometric Engine Reference Project	No. of page in the proposal
1.		
2.		
3.		

7. **Financial Strength (section 19 of the tender)**

7.1. Respondent's / Respondent's Parent Company's annual turnover in 2010 was (higher than / lower than / equal to) _____ ten million USD.

7.2. Respondent's / Respondent's Parent Company's annual turnover in 2011 was (higher than / lower than / equal to) _____ ten million USD.

8. **Technology Subcontractors (section 20 of the tender)**

8.1. The following are the Technology Subcontractors that are included within the proposal, via the Technology Subcontractor Form:

No.	The Technology Subcontractor	No. of page in the proposal
1.		
2.		
3.		

9. **Documents and Affidavits**

9.1. The following documents are appended to the Proposal Form:

Document	Section of the tender	Attached / not attached (mark ✓ if attached)
Certification of registration of the corporation from the relevant registry.	11	<input type="checkbox"/>
Attorney certification attesting that the Proposal was signed by the Respondent's authorized	11	<input type="checkbox"/>

Document	Section of the tender	Attached / not attached (mark ✓ if attached)
signatories.		
Affidavit – Appendix E of the Tender.	12.1	<input type="checkbox"/>
Affidavit – Appendix F of the Tender.	13	<input type="checkbox"/>
Authorization from the owner of the rights, allowing use of their rights for the proposal (please attach to affidavit, Appendix F of the Tender).	13	<input type="checkbox"/>

Respondent / Corporation: _____

Authorized Signatories: _____

Signature and stamp: _____

Date: _____

Appendix C2: Biometric Reference Project Form

Sections 15, 24 and 25 of the Tender

Biometric Reference Project No.: _____ (**"Project"**)

1. **The BMS - General**

- 1.1. Name of entity and country to which the BMS was supplied: _____
- 1.2. Is the BMS a police AFIS system? (yes / no) _____
- 1.3. Does the BMS enable, execute and manage De-duplication of biometric records as part of a voter registry system? (yes / no) _____
- 1.4. Does the BMS enable, execute and manage De-duplication of biometric records as part of a national documentation system? (yes / no) _____
- 1.5. Does the BMS enable, execute and manage De-duplication of biometric records as part of a border control system? (yes / no) _____
- 1.6. Name and contacts of customer's representative:

- 1.7. Kindly provide a detailed overview of the Project and the BMS which is provided within it (mainly highlighting issues which are of relevance and interest to this Tender):

2. **Respondent's Role within the Biometric Reference Project**

- 2.1. The Biometric Reference Project was performed by the _____ (Respondent / Respondent's Parent Company / Respondent's Subsidiary / Respondent's Fellow Subsidiary). *[If the project was not performed by the Respondent, please change the word "Respondent" in this form to "Company" (when required)].*

2.2. The Respondent has been the _____ (prime contractor / Key Subcontractor) in the Project between _____ and _____ (please state month and year).

3. **Key Subcontractor**

Please answer only if the Respondent has been the Key Subcontractor in the Project.

3.1. Describe Respondent's role within the Project:

3.2. The following summarizes Respondent's role **related to the BMS software** within the Project:

(For each issue or activity, please summarize role and note whether Respondent was [a] fully responsible (back to back with the prime contractor); [b] responsible with the prime contractor of the project, where Respondent's professional responsibility was broader than supplying hardware and software components and providing consulting and management services; [c] the issue or activity wasn't required during the stage; or [d] Respondent was not responsible for this issue or activity during this stage).

3.2.1. During architecture design:

3.2.1.1. Technical issues and activities: _____

3.2.1.2. Technological issues and activities: _____

3.2.1.3. Development and customization: _____

3.2.1.4. Installation: _____

3.2.1.5. Training: _____

3.2.1.6. Tuning and optimization: _____

3.2.1.7. Final performance (including accuracy):

- 3.2.1.8. Additional information regarding Respondent's role within this stage: _____
- 3.2.2. During customization:
 - 3.2.2.1. Technical issues and activities: _____
 - 3.2.2.2. Technological issues and activities: _____
 - 3.2.2.3. Development and customization: _____
 - 3.2.2.4. Installation: _____
 - 3.2.2.5. Training: _____
 - 3.2.2.6. Tuning and optimization: _____
 - 3.2.2.7. Final performance (including accuracy):

 - 3.2.2.8. Additional information regarding Respondent's role within this stage: _____
- 3.2.3. During installation:
 - 3.2.3.1. Technical issues and activities: _____
 - 3.2.3.2. Technological issues and activities: _____
 - 3.2.3.3. Development and customization: _____
 - 3.2.3.4. Installation: _____
 - 3.2.3.5. Training: _____
 - 3.2.3.6. Tuning and optimization: _____
 - 3.2.3.7. Final performance (including accuracy):

 - 3.2.3.8. Additional information regarding Respondent's role within this stage: _____
- 3.2.4. During implementation:
 - 3.2.4.1. Technical issues and activities: _____
 - 3.2.4.2. Technological issues and activities: _____
 - 3.2.4.3. Development and customization: _____
 - 3.2.4.4. Installation: _____

- 3.2.4.5. Training: _____
- 3.2.4.6. Tuning and optimization: _____
- 3.2.4.7. Final performance (including accuracy):

- 3.2.4.8. Additional information regarding Respondent's
role within this stage: _____
- 3.2.5. During tuning:
 - 3.2.5.1. Technical issues and activities: _____
 - 3.2.5.2. Technological issues and activities: _____
 - 3.2.5.3. Development and customization: _____
 - 3.2.5.4. Installation: _____
 - 3.2.5.5. Training: _____
 - 3.2.5.6. Tuning and optimization: _____
 - 3.2.5.7. Final performance (including accuracy):

 - 3.2.5.8. Additional information regarding Respondent's
role within this stage: _____
- 3.2.6. During optimization including transition to ongoing production
of the final system:
 - 3.2.6.1. Technical issues and activities: _____
 - 3.2.6.2. Technological issues and activities: _____
 - 3.2.6.3. Development and customization: _____
 - 3.2.6.4. Installation: _____
 - 3.2.6.5. Training: _____
 - 3.2.6.6. Tuning and optimization: _____
 - 3.2.6.7. Final performance (including accuracy):

 - 3.2.6.8. Additional information regarding Respondent's
role within this stage: _____
- 3.2.7. During Production:

- 3.2.7.1. Technical issues and activities: _____
- 3.2.7.2. Technological issues and activities: _____
- 3.2.7.3. Development and customization: _____
- 3.2.7.4. Installation: _____
- 3.2.7.5. Training: _____
- 3.2.7.6. Tuning and optimization: _____
- 3.2.7.7. Final performance (including accuracy):

- 3.2.7.8. Additional information regarding Respondent's
role within this stage: _____

3.2.8. Project management conducted by Respondent:

4. **Fusion Mechanism and Biometric Performance of the BMS**

4.1. The BMS has performed, between _____ and _____ (twelve months) _____ (Identification / De-duplication) based on one to many (1:N) matching, of _____ (number) new biometric records in relation to (against) a biometric database of at least _____ (number) biometric records, using the following biometrics: _____ ("**Reference Year**").

4.2. During the Reference Year, the BMS has performed _____ (Identification / De-duplication) on a continuous basis throughout that year.

4.3. Kindly describe the fusion mechanism used within the BMS during the Reference Year (if any):

4.4. Is the fusion mechanism of the BMS used during the Reference Year, the **same fusion mechanism** as that within the Proposed System? (yes / no) _____.

5. **BMS Fingerprint Biometric Engine**

5.1. The fingerprint biometric engine of the BMS used during the Reference Year is: _____.

5.2. Is this biometric engine still active within the BMS? (yes / no) _____. If the answer is "no":

5.2.1. Please state the current biometric fingerprint engine which is used within the BMS: _____.

5.2.2. Please explain why the fingerprint biometric engine has been replaced: _____.

5.3. Is the fingerprints biometric engine of the BMS used during the Reference Year the **same fingerprints biometric engine** as that within the Proposed System? (yes / no) _____.

5.4. Is the biometric matching using the fingerprint biometric engine during the Reference Year, based on **two fingers**? (yes / no) _____.

5.4.1. If the answer is "yes", please state matching of which fingers was the fingerprint biometric engine used for:

5.4.2. If the answer is "no", please state the number of fingers being matched, for which the fingerprint biometric engine was used:
_____.

5.5. Kindly provide additional relevant information regarding the fingerprint biometric engine used within the BMS during the Reference Year:

6. **BMS Face Biometric Engine**

Please answer if relevant. If irrelevant please state "N/A".

6.1. The face biometric engine of the BMS used during the Reference Year is: _____.

6.2. Is this biometric engine still active within the BMS? (yes / no) _____. If the answer is "no":

6.2.1. Please state the current biometric face engine which is used within the BMS: _____.

6.2.2. Please explain why the biometric face engine was replaced.

6.3. Is the face biometric engine of the BMS used during the Reference Year the **same face biometric engine** as that within the Proposed System? (yes / no) _____.

6.4. Kindly provide additional relevant information regarding the face biometric engine used within the BMS during the Reference Year:

7. **Additional Information regarding the Project**

7.1. As of date of submission of the proposal, approximate number of biometric records (live biometric data) in the biometric database of the Project is _____; The BMS has executed De-duplication / Identification of approximately _____ biometric records (live biometric data).

7.2. Total target number of biometric records, of the Project: _____

8. **Required Documents**

Required Document	Attached (mark <input checked="" type="checkbox"/>)
8.1. A letter from the customer attesting to accuracy of the information detailed in this form, signed by customer Contract Manager, CFO or project manager (Key Subcontractor may attach a letter from the main contractor or from the end-customer of the Project).	<input type="checkbox"/>

Appendix C3: Biometric Engine Reference Project Form

Sections 16, 17, 18 and 26 of the Tender

The engine: _____ (fusion mechanism / fingerprint/ face)

Brand and model: _____ ("Proposed Engine")

Reference Project No.: _____ ("**Project**")

1. **General**

- 1.1. The name of the Project in which the Proposed Engine was implemented: _____
- 1.2. Name of entity and country to which the biometric matching system and the Proposed Engine were supplied: _____
- 1.3. Kindly provide a short description of the Project and the biometric matching system in which the Proposed Engine was implemented:

2. **Number of Biometric Records Processed by the Proposed Engine**

Section 2.1 should be answered for at least one reference project, for each Proposed Engines.

- 2.1. The biometric matching system in which the Proposed Engine was implemented has processed, using the Proposed Engine _____ (number) new biometric records in relation to (against) a biometric database of at least _____ (number), between _____ and _____ (twelve months).
- 2.2. The Proposed Engine has been implemented in the biometric matching system between _____ and _____. During this period, the biometric matching system has processed, using the Proposed Engine _____ new biometric records.
- 2.3. Each foregoing biometric record is comprised of the following independent biometrics:
 - 2.3.1. _____
 - 2.3.2. _____

Appendix C4: Technology Subcontractor Form

Section 20 of the Tender

1. Subcontractor's Details

- 1.1. Name of subcontractor: _____
- 1.2. Method of incorporation of subcontractor (corporation / association / partnership / other)_____
- 1.3. Identifying number (in the relevant register) _____
- 1.4. Country of incorporation of the subcontractor _____
- 1.5. Authorized signatories of the subcontractor and offices held with subcontractor:

Name	I.D. number	Position in company	Sample signature
1.			
2.			
3.			
4.			

2. Technology Subcontractor's Role

- 2.1. Kindly describe **in detail** the precise role, scope of work and involvement of the Technology Subcontractor in the project.

3. **Required Documents**

Required Document	1E. Attached (mark <input checked="" type="checkbox"/>)
3.1. Affidavit according to section 20.2.2 of the Tender – Appendix I of the Tender.	<input type="checkbox"/>

Appendix C5: Technical Specifications Form

Name of Respondent: _____

1. **General**

- 1.1. This form does not contain blank spaces. Please copy each of the questions in its entirety, and provide a detailed answer.
- 1.2. Respondent may add other indications or suggestions it may have, concerning the Technical Requirements in the relevant sections. **Respondent is not allowed to condition or limit requirements of Technical Requirements** (please raise any questions or requests regarding the Technical Requirements during the clarifications stage of the Tender).

2. **The Proposed System - General**

- 2.1. Please provide an overview of the Proposed System.
- 2.2. Please confirm that the Proposed System is consistent with all the information presented as "Relevant Information" in the Technical Requirements.
- 2.3. Please provide a detailed list of all products and components of the Proposed System, using the following table:

No.	Product/component name	Version	Owner of rights in the product	General description	Number of units required

- 2.4. Please provide an itemized list (in tabular form) of any module, function or component that is planned to be specifically developed or specifically customized for this proposal, with each such element functionally and operationally described in detail. For each such item please note if developed or customized.

3. **The Proposed System Fusion Mechanism**

- 3.1. Please provide general details regarding the Proposed System fusion mechanism (manufacturer, product name, version, etc.).
- 3.2. Describe the Proposed System fusion mechanism (overview, functionality, key advantages and constraints).
- 3.3. Please provide a list of independent third party tests, that are specifically relevant to the Proposed System fusion mechanism (especially NIST tests), which have been executed since 2009. Please provide references and links to the publications of these tests (Respondent may attach the test results to this form).

4. **The Proposed System Fingerprint Engine**

- 4.1. Please provide general details regarding the Proposed System fingerprint engine (manufacturer, product name, version, etc.).
- 4.2. Describe the Proposed System fingerprint engine (overview, functionality, key advantages and constraints).
- 4.3. Please provide a list of independent third party tests, that are specifically relevant to the Proposed System fingerprint engine (especially NIST tests), which have been executed since 2009. Please provide references and links to the publications of these tests (Respondent may attach the test results to this form).

5. **The Proposed System Face Engine**

- 5.1. Please provide general details regarding the Proposed System face engine (manufacturer, product name, version, etc.).
- 5.2. Describe the Proposed System face engine (overview, functionality, key advantages and constraints).
- 5.3. Please provide a list of independent third party tests, that are specifically relevant to the Proposed System face engine (especially NIST tests), which have been executed since 2009. Please provide

references and links to the publications of these tests (Respondent may attach the test results to this form).

6. **Preventing duplicate enrollments (section 2 of Appendix B)**

6.1. How does the Proposed System prevent duplicate enrollments?

7. **Independent Maintenance by Purchaser (section 3 of Appendix B)**

7.1. How does Proposed System reduce the risks inherent with independent maintenance of the System by the Biometric Authority (with no access allowed for the Supplier), to the minimal possible level?

7.2. Describe Respondent's mechanisms for minimizing the risks inherent with independent maintenance of the system by the Biometric Authority (with no access allowed for the Supplier).

7.3. Does the Proposed System provide, in any case of malfunctioning of the System or any part thereof (including system crashes), log entries with detailed and clear information pertaining to the cause of the malfunction, and whether such malfunction was caused by the application software (specifying which part thereof) or by the infrastructure (Hardware components or OS/Database software components)? Describe the mechanism and explain how the information provided by the Proposed System isolates the specific component which is suspected to have caused the malfunction.

8. **Minimum Dependence on Supplier (section 4 of Appendix B)**

8.1. Does the Proposed System allow the Purchaser to manage all raw data independently?

8.2. Will The Purchaser have access to all administrative functions of the Biometric Database?

8.3. Does the Proposed System allow integration and use of new algorithms and algorithms from different vendors? Describe the processes of integrating and using new biometric matching algorithms, possibly supplied by different vendors.

8.4. Are the hardware and infrastructure of the Proposed System based on the Standard Server? Please confirm that all the environments of the Proposed System are not configured or installed on PCs or workstations.

- 8.5. Does the Proposed System allow replacement of hardware components with comparable commercial hardware components from common vendors? What is the impact of such change on the remaining hardware components?
- 8.6. Does the Proposed System include proprietary hardware?
- 8.7. Does the Proposed System enable and support transition from Standard Servers to the next generation of servers (G8)? Please describe the implications of such transition on the Proposed System.
- 8.8. Specify any proprietary software component proposed, and its specific function, configuration and use in the Proposed System.
- 8.9. Does the Proposed System include a tool which will enable Purchaser to easily and safely convert data from the raw data to proprietary formats used in the System? Please provide relevant information and describe this tool.
- 8.10. Does the Proposed System software licensing rely on hardware items (such as dongles)?
- 8.11. Does the Proposed System rely on hardware identifiers in any way for licensing (such as an HSM serial number or a MAC address)?
- 8.12. Kindly detail the key functionality of the API that will be provided to the Purchaser.

9. **Fusion (section 5 of Appendix B)**

- 9.1. Please list and describe the fusion algorithms and mechanisms included in the Proposed System, the specific recommendations for the optimal fusion mechanism(s) for the Proposed System, and the basis for these recommendations.
- 9.2. If more than one fusion mechanism is included within the Proposed System, please list and describe each of these mechanisms' recommended use scenarios.
- 9.3. If Dynamic fusion is proposed, please describe the key mechanisms for dynamic selection of the optimal fusion algorithm used.
- 9.4. Does Proposed System use face recognition as the main biometric in cases where there are no fingerprints or where fingerprints are of poor or insufficient quality?

- 9.5. Are Respondent's calculations based on the assumption that 2% of the records of adult population will contain only face information and that records of children under twelve will not contain fingerprints (unless specifically requested by the parents).
- 9.6. Please describe in detail all the implications of a scenario of 1% and 0.5% of records containing only face information, and provide respective calculations.
10. **Search Procedures (section 6 of Appendix B)**
- 10.1. Describe in detail the proposed search methodology and alternative search strategies (workflow, stages, etc.).
- 10.1.1. For each proposed search methodology, please detail **risks as well as implications on manual processes, and labor - intensive procedures**. Please provide information on typical scenarios and estimates of time required for manual handling of alert events.
- 10.2. Is matching of fingerprints by the Proposed System comprised of matching of each fingerprint presented to the System against each and every fingerprint in the Database and in the Batch file - (both hands, all fingers including matching the two fingers of the same person one to the other) - thus also checking for attempts of swapping fingerprints during enrolment?
- 10.3. Are search procedures of the Proposed System adaptable to new search algorithms and policies? Describe the method for adapting new search algorithms and policies.
- 10.4. Does the system allow Purchaser to modify thresholds without the need to recompile the system?
- 10.5. Describe proposed mechanisms for modifying thresholds, as well as any additional tools provided (e.g. if proposed system provides recommended guidelines for modifying thresholds; if it comprises a learning engine, etc.).
- 10.6. Describe the mechanisms for analyzing and recommending optimal threshold/threshold ranges; also describe typical conditions and situations in which thresholds changes.

10.7. Describe in detail the implications and risks of modifying thresholds from those recommended, to other thresholds (as well as sensitivity parameters).

11. **System lifespan (section 7 of Appendix B)**

The operational lifespan of the system is at least _____ years.

12. **Performance (section 8 of Appendix B)**

12.1. Please state the BPRT (Batch Processing Response Time) of the Proposed System, using the following table:

Maximum number of records in the Database	BPRT (please note the time from the initiation of the Batch loading) for the following Batch sizes (the numbers indicate the maximum number of records in the Batch):			
	500	1,000	5,000	10,000
1,000,000				
3,000,000				
5,000,000				
7,000,000				

12.2. Does upload of Batches degrade or impact operation, including user operations, during uploads? Does it preclude simultaneous user operations? Describe the proposed mechanism for ensuring compliance with the requirement set forth in section 8.2 of the Technical Requirements.

12.3. Is the Proposed System able to process High Priority Batches within up to thirty minutes, regardless of whether another Batch is or is not being handled by the System? Describe in detail the proposed mechanism for handling High Priority Batches.

12.4. Is the BPRT of the Proposed System affected by a High Priority Batch?

- 12.5. Please list all manual or human interventions that may be required for backup or other related procedures.
- 12.6. Describe in detail the proposed mechanisms and processes for implementing the upload procedures (for Batch and High Priority Batch), as well as procedures for ensuring the completeness and integrity of such upload(s). The description should also explain the mechanism by which upload will occur, with no or minimal impact on ongoing operation and performance of the Proposed System.
- 12.7. Please explain in detail the implications (hardware including servers; software and licenses; personnel; other) of a requirement for an improved BPRT for a database comprising 3,000,000 records and for a database comprising 7,000,000 records, using the following table (please replicate as required):

BPRT	Environment	Implications			Comments
		Number of Standard Servers required	Details of additional licenses required	Other	
2 hours	Production				
	DRP				
	Clustered				
1 hour	Production				
	DRP				
	Clustered				

- 12.8. Will process times for batches of larger size (e.g.: 10,000, 20,000 etc.) be linearly proportional to processing times for smaller batches (using the same hardware and software configuration, and the same data in the database)?

13. **System Accuracy (section 9 of Appendix B)**

- 13.1. What is the FAR of the Proposed System while performing De-duplication or Identification for database size of ten million records? Is this FAR is linearly proportional?
- 13.2. What is the FRR of the Proposed System for the proposed FAR, while performing De-duplication or Identification? _____
- 13.3. What is the FAR of the Proposed System while performing Verification? _____
- 13.4. What is the FRR of the Proposed System for the proposed FAR, while performing Verification? _____
- 13.5. Describe in detail the capability of the Proposed System; and the implications - of improving the FAR of the System while performing De-duplication or Identification, to (**≤0.5%**); to (**≤0.1%**); and to (**≤0.01%**) - for **an FRR of 10%**, using the following table. As part of this description, please detail hardware and software implications of such requirements, for a database of 10,000,000 biometric records.

FAR	Environment	Implications			Comments
		Number of Standard Servers required	Details of additional software licenses required	Other	
FAR≤0.5%	Production				
	DRP				
	Clustered				
FAR≤0.1%	Production				
	DRP				
	Clustered				

FAR≤0.01%	Production				
	DRP				
	Clustered				

14. **Scalability (section 10 of Appendix B)**

14.1. Is Proposed System able to handle a capacity of up to ten million records (in the biometric database) and to support the 1:N matches of up to 10,000 uploaded records per day (each specific biometric, against the entire database), providing final approval and rejection results and decisions (including all Authority internal activities, manual processes, decisions, etc.) no later than by the beginning of the next working day.

14.2. Describe in detail the implications of transition from three million records to five million records; from five million to seven million records; and from seven million records to ten million records, including in terms of infrastructure (hardware, software, other); biometric database software (any components or licenses impacted); performance implications; quality and accuracy implications; and any other implications – while complying with all accuracy and performance requirements of the Tender. This should also be accompanied by relevant detailed configuration tables.

15. **Architecture (section 11 of Appendix B)**

15.1. Please provide the Proposed System's detailed architecture design description, including, for each of the environments (separately) and for the Test Clustering System, the **detailed hardware and software configuration** - component breakdown and schematic technical drawings of the planned architecture of the Proposed System (including all OS & DB configurations and requirements). **This should be clearly described for one million; for three million; for five million; for seven million records and for ten million records.** If configurations are identical for up to ten million records, please state this fact. Please also include a hardware/software breakdown and quantities **table**, of a format similar to the following:

_____ Environment / Test Clustering System	
Hardware/Software component	No. of Units/licenses Required
Standard Servers <i>[state whether virtualization is required.]</i>	
COTS Software: _____ (brand and model)	
COTS Hardware: _____ (brand and model)	
Database Licenses	As detailed in the response to section 15.8. <i>[Respondent is not required to detail the Database Licenses in this table.]</i>
.... [Please add any additional relevant component and information as is necessary]	

- 15.1.1. The design should include all network devices which are needed in order to fully comply with all the requirements (including, but not limited to, performance and accuracy requirements), which are described in the Tender Documents.
- 15.1.2. The network devices should include communication devices, servers, storage, load balancers, management devices, terminal servers, end users' desktops, security devices, etc.
- 15.2. Please confirm that the Test Environment of the Proposed System complies with all the requirements detailed in section 11.2.2.1 of the Technical Requirements.
- 15.3. Please confirm that the Staging Environment of the Proposed System complies with all the requirements detailed in section 11.2.2.2 of the Technical Requirements.

- 15.4. Please confirm that the Production Environment of the Proposed System complies with all the requirements detailed in section 11.2.2.3 of the Technical Requirements.
- 15.5. Please confirm that the DRP Environment of the Proposed System complies with all the requirements detailed in section 11.2.2.4 of the Technical Requirements.
- 15.6. Is a simulative biometric data set provided for Test environment in an open format (i.e. not encrypted) to enable Purchaser to execute its own independent benchmarks using the same data?
- 15.7. What is the SQL (ISO) database on which the Proposed System is based (including version, components, etc.)?
- 15.8. Please provide an itemized list of all the components and licensing required for the databases of the different environments and the Test Clustering System, using the following table. **Please include any information which may be relevant for Database sizes of 3M, 5M, 7M and 10M records:**

	Database Components and Database Vendor standard catalog number	Version and number of the licenses	Number of users included in the license	Additional Notes
Test Environment				
Staging Environment				
Production Environment				

DRP Environment				

- 15.9. Describe in detail the Proposed System storage requirements for each of the environments. Please include calculations and constraints. Describe any implications and constraints on the Proposed System, which are related to future expansion of storage (e.g.: configuration, performance, licensing, etc. implications/constraints).
- 15.10. Describe in detail the Proposed System's Disaster Recovery Plan, including procedures, components, configurations, required or recommended roles, personnel and any other resources; as well as time and execution constraints.

16. **Backup (section 12 of Appendix B)**

- 16.1. Describe in detail the Proposed System's mechanism and procedures for backup (database backup; System and application backups, where relevant), for each of the environments.
- 16.2. Explain if and how the mechanism creates an encrypted backup that can be generated or updated without degrading the BPRT of the Proposed System.

17. **Data collection (section 13 of Appendix B)**

- 17.1. Please confirm that the Proposed System comply with the information detailed in section 13.1 of the Technical Requirements.
- 17.2. Does the Proposed System, for each data element that it logs, provide all pertinent information as specified in the Technical Requirements, in a format which will be available to the Purchaser for its use?
- 17.3. Are all data logged by the Proposed System retrievable via simple queries? Please confirm that the Proposed System allows certain queries to be subject to authorization (as will be defined during the Specification Stage).

- 17.4. Does the Proposed System allow the display of all data that it logs?
- 17.5. Does the Proposed System maintain all logs in a standard format?
What are the formats provided and supported by the Proposed System?
- 17.6. Does the Proposed System log all the data listed in section 13.2.5 of the Technical Requirements?
- 17.7. Describe in detail any additional information that is provided in the Proposed System regarding auditing and logging.
- 17.8. Does the Proposed System comply with the requirement stipulated in section 13.2.6?
- 17.9. Describe the detailed structure of the log data.
18. **Reports (section 14 of Appendix B)**
 - 18.1. Does the Proposed System include a reporting system?
 - 18.2. Please provide the name and version of the reporting system, as well as other relevant information, such as a detailed description of the reporting system and the report generator.
 - 18.3. Does the reporting system include the required reports as detailed in section 14.1.3 of the Technical Requirements?
 - 18.4. Does the reporting system allow definition and execution of complex searches?
 - 18.5. Does the reporting system allow flexible and user definable reports and export of data?
 - 18.6. Does the Proposed System's monitoring system generate reports for all the security events listed in section 14.1.3.13 of the Technical Requirements?
 - 18.7. Does the Proposed system enable the definition and presentation of statistical analysis of the accumulated data? Please describe key statistical analysis capabilities.
 - 18.8. Does the Proposed system's report generator enable broad search categories (e.g. by date, user, batch number, request number, ID, status, user definable categories)? Please elaborate.
 - 18.9. Please specify if there are other proposed reports.

19. **Queries and services (section 15 of Appendix B)**

- 19.1. Does the Proposed System provide only and all the queries and services specifically allowed by the Law (as listed in section 15.1.2 of the Technical Requirements)?
- 19.2. Please propose additional and modified queries that the Respondent finds relevant and important. These queries might be implemented in the System, at Purchaser's discretion and subject its approval, insofar as they do not contradict the Law.

20. **Image processing, display and comparison (section 16 of Appendix B)**

- 20.1. Does the Proposed System support the high resolution display of fingerprints and face images enabling full screen and image data display on standard LCD screens?
- 20.2. Does the Proposed System support high-resolution printing of fingerprints and face images, enabling printing images at least at 600 DPI?
- 20.3. Does the Proposed System display to the operator the biometric information (fingerprints and face) of probe and all of the Candidates, with ranking and score clearly marked, and clearly differentiating between probe and Candidates?
- 20.4. Does the Proposed System allow, subject to operator request, to display identities with scores that are below the threshold (with ranking)?
- 20.5. Please explain the Proposed System's scoring method as a tool for assisting operators in their decision making process.
- 20.6. Does the Proposed System display each fingerprint (probe and Candidates) with all associated fingerprint data (which finger, which hand, NFIQ score, ranking, etc.)?
- 20.7. Does the Proposed System display each face (probe and Candidates) with all associated data?
- 20.8. Does the Proposed System display fused scores? Does it allow the inclusion of fused scores in the reports (as relevant)?
- 20.9. Does the Proposed System allow authorized users to display and apply all the image processing function(s) of the Proposed System to any

record (or to specific images) that is associated with a Unique Identifier in the database, or that is awaiting manual processing, at any time?

- 20.10. Does the Proposed System allow the forms of display functionality listed in sections 16.2.5.1 and 16.2.5.2 (separately and in combination)?
- 20.11. Does the Proposed System allow users to add comments pertaining to their reason for rejecting or accepting a request's compared images, based on combo boxes (dynamic itemized lists, including "reject-reason" lists; addition of free-form comments and additional user definable combo box items)? Please describe and include sample screenshots.
- 20.12. Does the Proposed System allow the functionality detailed in section 16.2 without affecting the original images?
- 20.13. Does the Proposed System display fingerprint and face biometrics, as well as their respective scores, in all cases?
- 20.14. Please describe in detail the proposed display and comparison functionalities and capabilities included within the Proposed System. For each functionality or capability, **please include typical screenshots** and explanations, as well as constraints.
- 20.15. Does the Proposed System automatically orientate and display the compared images (fingerprints and face images) in the same orientation? Does this functionality affect the original images? Please detail.
- 20.16. Does the Proposed System allow, when the user marks a certain feature in one image (highlighting for comparison), to automatically highlight the identical feature or corresponding point in the compared image? Does this functionality affect the original images? Please detail.
- 20.17. Does the Proposed System allow dynamic or user-selectable blending of two scaled images? Does this functionality affect the original images? Please detail.
- 20.18. Does the Proposed System allow authorized users to selectively view and precisely mark the eyes, in face images in which the Systems' face recognition engine has failed to automatically and definitively locate and mark the eyes? Are the marks stored and linked to the image in the

database, and available for later use, and identified as marked data?
Does this functionality affect the original images? Please detail.

20.19. Does the Proposed System allow authorized users to add markup signs (e.g.: distance between eyes, unique image features, etc.), which will accompany the images throughout the process (as well as for future reference and control and audit)? Does this functionality affect the original images? Please detail.

20.20. Does the Proposed System allow selective zooming of an area, while concurrently displaying the corresponding zoomed area in its counterpart image? Does this functionality affect the original images? Please detail.

20.21. Please detail additional display and comparison functionalities, which are not listed in sections 16.2 or 16.3.1 and are included in the Proposed System at no additional costs, hardware or any other implications on Purchaser. Please state, for each such functionality:

20.21.1. Does this functionality affect the original images?

20.21.2. How this functionality is used, its results saved, logged and reviewed.

20.22. Please provide relevant user manuals.

21. **Workflow (section 17 of Appendix B)**

21.1. Does the Proposed System allow to define, implement, manage and control all the items listed in section 17.2.1?

21.2. Describe in detail the proposed workflow system (including product name and version), its functionality and capabilities, and its compliance with all the requirements of section 17.2.

21.3. The proposed workflow system is *[delete as appropriate]*: COTS workflow system *[please note if open source]* / proprietary flexible workflow system / hard coded workflow system.

21.4. Does the proposed workflow system allow flexible and swift definition and implementation of the required workflows independently, by the System administrator or a qualified user of the System (including definitions of roles by authorized users, etc.)?

- 21.5. Does the proposed workflow system enable Purchaser (non-programmers) to define additional roles? Please detail.
- 21.6. Does the proposed workflow system enable the system administrator or a qualified (non-programmer) user to manage and control the all of the following:
 - 21.6.1. Assign specific records to specific users;
 - 21.6.2. Set priorities;
 - 21.6.3. Manage exceptions/errors and error handling.
- 21.7. Please provide relevant screenshots and process examples.
- 21.8. Please confirm that the Proposed System includes the Key Workflow.
- 21.9. Please detail any additional workflows included in the Proposed System.

22. **Availability (section 18 of Appendix B)**

- 22.1. What is the availability (annual calculated uptime) of the Proposed System?

- 22.2. List all downtime events required for maintenance reasons, the frequency of such events and the estimated duration for each such event.
- 22.3. Please confirm that the downtime of the Proposed System does not exceed four hours per event; and no more than twelve events per twelve consecutive months (including downtime due to maintenance procedures).

23. **Information security (section 19 of Appendix B)**

- 23.1. Describe in detail all proposed built-in security policies and mechanisms.
- 23.2. Describe in detail any encryption mechanism that is provided by the Respondent.
- 23.3. Describe and specify the proposed encryption mechanisms.
- 23.4. Does the Proposed System support secure communication among the system components, including the database? Please detail.

- 23.5. Does the Proposed System's database encryption use standard encryption algorithms? Please confirm that these algorithms are subject to the approval of the Purchaser.
- 23.6. Please confirm that the key management method and encryption method will be approved by purchaser.
- 23.7. Does the Proposed System enable the adaptation of advanced or different encryption algorithms? Please detail the mechanism for such an adaptation.
- 23.8. Is the Proposed System authorization mechanism based on MS-Windows Active Directory (AD)?
- 23.9. Does the Proposed System support the definition of segregated roles?
- 23.10. Does the proposed system support the definition of the following roles:
 - 23.10.1. User;
 - 23.10.2. Super user;
 - 23.10.3. Administrator – only the administrator will have access to define and change reports and system thresholds;
 - 23.10.4. Auditor (reports and logs).
- 23.11. Does the Proposed System support assigning permissions by activities and/or resources?
- 23.12. Does the Proposed System will allow access to its database only to authorized users who will be granted the minimal required permissions for executing specific tasks and/or for accessing specific data?
- 23.13. Describe the mechanism that allows the export of encryption key(s) to external components or devices.
- 23.14. Describe the mechanism that allows the replacement of the encryption key(s).
- 23.15. Does the Database encryption solution allow key generation via external HSM?
- 23.16. Please detail the factor authentications in which the Proposed System supports.

24. **Monitoring, Auditing and Control (section 20 of Appendix B)**

- 24.1. Kindly list and detail the Proposed System's monitoring components, and describe their detailed functionality.
- 24.2. Describe in detail the proposed monitoring and audit system.
- 24.3. Is the proposed monitoring and audit system a COTS system or a proprietary system? If the proposed monitoring and audit system is COTS, please provide manufacturer, product name and version.
- 24.4. Does the Proposed System audit all the events and actions listed in section 20.1.2?
- 24.5. Does the Proposed System's auditing mechanism provide a mechanism for ensuring that logs will not be tampered with? Please detail.
- 24.6. Does the monitoring system of the Proposed System provide comprehensive analysis and investigative capabilities, including (but not limited to):
 - 24.6.1. Who has accessed which data/information;
 - 24.6.2. Time stamp - When did each such activity occur;
 - 24.6.3. Source - Where did it originate from;
 - 24.6.4. Any query initiated;
 - 24.6.5. Any access to a record;
 - 24.6.6. Any modification and/or deletion of a record.
- 24.7. Describe Respondent's methodology and processes for control and supervision.

25. **Dual Control (section 21 of Appendix B)**

- 25.1. Is the implementation of the Dual Control mechanism based on an MS-Windows based authentication mechanism (at least two-factor authentication)?
- 25.2. Does the Proposed System provide dual control based on login of two authorized users, whereby any decision and action pertaining to the relevant data will require two authorized logged in users?
- 25.3. Do all the operations listed in section 21.2.4 require dual control?

25.4. Describe in detail the proposed dual control mechanism and any known risk factors.

26. **Service level (section 22 of Appendix B)**

Please confirm that the Proposed System complies with the requirements of section 22 of the Technical Requirements.

27. **Test Clustering System (section 23 of Appendix B)**

27.1. Describe general guidelines for implementation and transition to using Test Clustering System, and any anticipated constraints.

27.2. Is the proposed Test Clustering System based on matching engines, application software including middleware, and thresholds which are identical to the Proposed System (with relevant adaptations as deemed necessary for the clustering)?

27.3. Will all data relevant to the Test Clustering System be logged in a manner similar to the Proposed System?

27.4. Please confirm Respondent's compliance with section 23 in its entirety, and describe in detail any reservations or restrictions the requirements of the section may impose, as well as potential risks.

28. **Future stages (section 24 of Appendix B)**

28.1. Please confirm Respondent's compliance with section 24 in its entirety.

28.2. Does Respondent confirm the Proposed System compliance with the future plan to cluster the database?

28.3. Describe in detail any reservations or restrictions that such clustering of the database may impose.

28.4. Detail Respondent's proposed mechanism and procedures for seamless execution of conversion of Purchaser's production System to clustered database.

28.5. Describe the required configuration (hardware and software) and the proposed transition mechanism and steps, the process, the procedures (including tests on test system, special purpose backups, etc.) for actual implementation of the Clustered System **with the complete live database** (thus replacing the System by the Clustered System, thereafter) ; and all anticipated timeframes and resources required, and

relevant detailed documentation that will be provided, if and when approved.

- 28.6. Please confirm that the Proposed System enable future expansion, if and when required by Purchaser, to support matching based on ten fingerprints, in a reasonable way.
 - 28.7. Please confirm that the Proposed System enable future expansion, if and when required by Purchaser, to support matching based on iris biometric enrolment, in a reasonable way.
 - 28.8. Please confirm that the Proposed System will be able to comply with the future requirement to support face and fingerprint images of higher resolutions. Describe in detail any implications and constraints of this requirements on the Proposed System.
 - 28.9. Please confirm the Proposed System will be able to comply with the future requirement to support images acquired by different enrolment devices (similar or more advanced than the enrolment devices that are currently in use in PIBA's enrolment sites), along with images from former devices, without degrading performance and accuracy. Please describe how the Proposed System will support such devices while complying with performance and accuracy requirements. Please detail any relevant constraints and requirements.
29. **Miscellaneous (section 25 of Appendix B)**
- 29.1. Please clearly describe any additional or specific risks Respondent envisions in the implementation of the Proposed System.
 - 29.2. Describe risk management procedures Respondent intends to implement to minimize risks.
 - 29.3. Please confirm that the information presented in Appendix B1 is fully understood and acceptable to Respondent.
 - 29.4. Please confirm that the Proposed System is consistent with all the information detailed in Appendixes B, B1 and B2.

Respondent / Corporation: _____

Authorized Signatories: _____

Signature and stamp: _____

Date: _____

Appendix C6: Price Proposal Form

The Price Proposal Form must be submitted in **a separate sealed envelope**, marked "Price Proposal".

Name of Respondent: _____.

Price Quote – Tender for Supply of a Biometric Matching System

	Section in the Tender	Proposed Price (in USD)	Additional Remarks
New Unique Record Price ("NUR-P")	28.1.1		Price per one New Unique Record.
<i>[COTS Hardware, state brand and model] Add rows as required, for each component</i>	28.1.3		Price per unit.
Database Licenses	28.1.4		Price for all Database Licenses included in the Proposed System (excluding Test Clustering System).
Test Clustering System Price ("TCS-P")	28.1.5		Price for the entire Test Clustering System, including

			the price for the database and COTS required for the Test Clustering System.
M&D Hour Price ("M&D-H-P")	28.1.6		Price per one hour. This price must not exceed one hundred and fifty USD.

1. The prices stated above are in USD and do not include Israeli VAT.
2. The Respondent hereby fully accepts the terms of the Agreement as stipulated in Appendix M of the Tender, including the terms of payment as stipulated in section 34 of the Agreement.

Respondent / Corporation: _____

Authorized Signatories: _____

Signature and stamp: _____

Date: _____

Appendix D: Registration Form



מדינת ישראל
State of Israel



Ministry of the Interior
The Biometric Database Management Authority

Registration for Tender No. 82/2013 for the Supply of a Biometric Matching System

1. Name of company registering for the Tender: _____
2. Country of incorporation of company: _____
3. Contact persons, authorized to represent the company for the Tender:
 - 3.1. _____
 - 3.2. _____
4. Mailing address: _____
5. Telephone number: _____
6. Fax number: _____
7. Email addresses:
 - 7.1. _____
 - 7.2. _____
8. We acknowledge that giving our contact information does not exempt us from the responsibility to update ourselves with regard to notices and clarifications by the Purchaser posted on the Tender's website.

Signature of authorized signatory and corporate stamp

Appendix E: Affidavit Pursuant to Section 12 of the Tender

1. I _____ the undersigned, bearer of identity / passport number _____, am making this affidavit with respect to Tender No. 82/2013 for the Supply of a Biometric Matching System ("**Tender**").
2. I am submitting this affidavit on behalf of _____ corporation ("**Respondent**"). The Respondent is a company duly incorporated, duly organized and is validly existing under the laws of _____, and whose identifying number is _____.
3. I work for Respondent in the position of _____.
4. I am an authorized signatory for the Respondent and my signature when given, binds the Respondent.
5. Additional authorized signatories in the Respondent are (name, identity number):
 - 5.1. _____ .
 - 5.2. _____ .
 - 5.3. _____ .
6. I have read the Tender Documents and understood them. The Respondent unconditionally accepts the terms of the Tender.
7. The Respondent is residing in a country which has diplomatic relations with the State of Israel. To the best of Respondent's knowledge, the corporations and people that hold the control in the Respondent are incorporated in and residents of a country that maintain diplomatic relations with the State of Israel.
8. The Respondent is familiar with relevant legislation concerning the Tender, including the Inclusion of Biometric Means of Identification within Identification Documentation and Database Law, 5769 – 2009, the Inclusion of Biometric Means of Identification within Identification Documentation and Database Regulations, 5771 – 2011, and the Inclusion of Biometric Means of Identification within Identification Documentation and Database Order, 5771 – 2011.
9. I hereby declare that I am not aware of any held positions or matters (such as providing counsel to certain entities, membership on boards, ownership of assets and businesses etc.), of the Respondent or its authorized signatories,

that might place them in a situation of a possible conflict of interest while providing the System or the services contemplated by the Tender.

10. As of the submission of this proposal I am not aware of any impediment (including conflict of interest), which would prevent Respondent from being awarded the Tender or satisfying any of its undertakings pursuant to the Respondent's proposal, the Tender, the Contract (Appendix M of the Tender) or by law.
11. I declare that the Respondent only uses only genuine licensed software.
12. Lawful employment [include this section in the affidavit only if the Respondent is incorporated in Israel]
 - 12.1. The Respondent meets one of the following criteria:
 - 12.1.1. The Respondent and its affiliate were not incriminated by means of a decisive sentence for an offence under the Foreign Workers Law in the year preceding the date of signing this declaration.
 - 12.1.2. If the Respondent or its affiliate were convicted by means of a decisive sentence in two offences more under the Foreign Workers Law, at least three years have passed since the last conviction until the date of signing this declaration.
 - 12.2. I hereby declare that the Respondent operates in accordance with the Minimum Wage Law, 5747 - 1987 ("**Minimum Wage Law**"), and pays wages to its employees regularly and on time, as required by labor laws, extension orders , collective agreements and individual agreements applicable to it.
 - 12.3. The Respondent meets one of the following criteria:
 - 12.3.1. The Respondent and its affiliates were not incriminated by means of a decisive sentence for an offence under the Minimum Wage Law in the year preceding the date of signing this declaration.
 - 12.3.2. If the Respondent or its affiliate were convicted by means of a decisive sentence in two offences or more under the Minimum Wage Law, at least three years have passed since the last conviction until the date of signing this declaration.

12.4. For the purpose of this section 12:

12.4.1. "Means of control", "retention" and "control" shall have the meaning ascribed thereto in Banking Law (licensing), 5741 – 1981.

12.4.2. "Affiliate" - any of the following:

12.4.2.1. A corporation controlled by the Respondent;

12.4.2.2. The person who holds the control in the Respondent;

12.4.2.3. A corporation whose composition of shareholders or partners, as applicable, is in essence similar to the Respondent's, provided that the fields of activity of both corporations are similar in essence;

12.4.2.4. Whoever is responsible on behalf of the Respondent for the payment of the work wage;

12.4.2.5. A corporation which is substantially controlled by one who substantially controls the Respondent, whereas "substantially controlled" means possession of three quarters or more of a certain means of control.

13. I declare that all of the information set forth in the Proposal was examined by me and is true and accurate.

14. This is my name, my signature, and the content of this affidavit is true.

15. Unless otherwise defined herein, all terms shall have the same meaning ascribed to them in the Tender.

Date

Stamp and signature

Certification

I, the undersigned, hereby certify that on the date of _____, Mr./Ms. _____ bearer of identity number _____, appeared before me _____, Attorney-at-Law, and after having been cautioned to state the truth or otherwise be subject to penalties prescribed by law if he/she fails to do so, affirmed the accuracy of his/her declaration above and signed upon it in my presence.

I hereby confirm that Mr./Ms. _____ is authorized to sign on behalf of _____, and to commit it for purposes of the Tender, for all purposes and intents.

Attorney-at-Law

Appendix F: Affidavit Pursuant to Section 13 of the Tender

1. I _____ the undersigned, bearer of identity / passport number _____, am making this affidavit with respect to Tender No. 82/2013 for the Supply of a Biometric Matching System ("**Tender**").
2. I am submitting this affidavit on behalf of _____ corporation ("**Respondent**"). The Respondent is a company duly incorporated, duly organized and is validly existing under the laws of _____, and whose identifying number is _____.
3. I work for Respondent in the position of _____.
4. I am an authorized signatory for the Respondent and my signature when given, binds the Respondent.
5. Additional authorized signatories in the Respondent are (name, identity number):
 - 5.1. _____ .
 - 5.2. _____ .
 - 5.3. _____ .
6. I am an authorized signatory for the Respondent and my signature when given binds the Respondent.

[Erase / cross out section 7 or 8, as applicable to Respondent]

7. The Respondent is the owner of all the rights (including intellectual property rights) to the tools, methods, products and components, as detailed in the following table, and is entitled to disseminate the said rights:

No.	Component

8. The Respondent possesses all the necessary approvals on behalf of the owners of all the rights (including intellectual property rights) to the tools, methods, products and components to be used in the execution of its proposal (excluding the tools, methods, products and components detailed in section 7 above), entitling the Respondent to use and disseminate the said rights and to enter into the Contract.
9. Below are the components of the System (including all of the components required under the terms of the Agreement) the rights to which belong to a third party:

No.	Component	Owner (Third party)

10. Attached to this declaration are certifications from the owners of the rights to the aforementioned third party components, permitting the Respondent to offer said components as part of its proposal.
11. The Respondent is the owner or is licensed to use, distribute or sell *[erase irrelevant part]*, all the rights (including intellectual property rights) to the tools, methods and components that will be used to execute its proposal to the Tender (if the Respondent is awarded the Tender), in such manner that the following shall apply at all times:

- 11.1. There is no impediment or restriction, of any kind, on the Respondent from using, distributing or selling the products or the accompanying components, in accordance with the Tender Documents;
 - 11.2. Respondent can satisfy all of its obligations under the Agreement and its proposal, in full and in a timely manner;
 - 11.3. Respondent may enter into an agreement (if awarded the Tender) pursuant to the terms of the Contract (Appendix M of the Tender) without harming or infringing in any manner on the rights of any third party, including intellectual property rights of any kind (copyrights, patents, trade secrets, designs, trademarks etc.);
 - 11.4. No impediment or restriction exists on the transfer of title in the System, its components or attendant parts, to the Purchaser or its representative or from Purchaser to third parties that will act on Purchaser's behalf.
12. This is my name, my signature and the content of my affidavit is true.

Date

Stamp and signature

Certification

I, the undersign, hereby certify that on the date of _____, Mr./Ms. _____ bearer of identity number _____, appeared before me _____, Attorney-at-Law, and after having been cautioned to state the truth or otherwise be subject to penalties prescribed by law if he/she fails to do so, affirmed the accuracy of his/her declaration above and signed upon it in my presence.

I hereby confirm that Mr./Ms. _____ is authorized to sign on behalf of _____, and to commit it for purposes of the Tender, for all purposes and intents.

Attorney-at-Law

Appendix G: Industrial Cooperation Undertaking

- **Note:** In this Appendix the Respondent shall be referred to as the "Supplier".

Foreign Supplier's Industrial Cooperation Undertaking

As per the Mandatory Tenders Regulations

(Mandatory Industrial Cooperation), 5767-2007 (hereinafter the "Regulations")

We, (name of Supplier) _____

having offices at (full address) _____

commit to the State of Israel, that in the event of winning the tender for the supply of a Biometric Matching System (hereinafter referred to as the "Tender"), we shall put into practice Industrial Cooperation in Israel, in accordance with the outlined below:

1. We are aware of the fact that this undertaking is provided pursuant to the Regulations and that the terms used herein shall have the same meanings as ascribed to them in the Regulations.
2. The extent of Industrial Cooperation that shall be carried out by us, shall equal at least 35% (for suppliers of non-excluded products from GPA member states, the extent of industrial cooperation is 20%), of the value of the contract or of the transaction, that will be concluded with us, in the event of winning this tender in whole or in part. With respect to the foregoing, the value of the contract or transaction shall also include the following: (i) the exercise of any option related thereto; (ii) any follow-on procurement in excess of USD 500,000 that is made within a period of five years from the date of the original contract and (iii) any acquisition of spare parts, training activities, maintenance, technical assistance, guarantees etc. that will be procured from us, in connection with the main services and/or products acquired from us, within the framework of the Tender.
3. We are aware that our undertaking for Industrial Cooperation may be fulfilled by using any of the following means: local subcontracting, investments, Know-How transfer, R&D, acquisition of Israeli products, work or services, or by any other means if approved in advance by the Industrial Cooperation Authority ("ICA"), but excluding those listed in clause 10 below.

4. We are aware that if we win the Tender, the ICA will be in charge on behalf of the Government of Israel with the appraisal, classification and monitoring of the hereby attached fulfillment program.
5. Our undertaking for Industrial Cooperation shall be carried out within 3 years as of the effective date of the contract/transaction the subject of the tender. The ICA may upon request, approve an extended period of time for the fulfillment of our undertaking, considering the nature of Industrial Cooperation to be implemented, or the complexity of the contract/transaction. In any case, Our undertaking for Industrial Cooperation remains in force until completed.
6. The records of ICA pertaining to the execution of our undertaking shall be prima facie evidence in any matter relevant to the fulfillment of this requirement in the tender.
7. We are aware that in order to value the extent of Industrial Cooperation activities carried out by us pursuant to this undertaking, the following rules shall apply:
 - 7.1. New or incremental procurement by the Supplier of Israeli products or services, compared to the Supplier's average extent of procurements carried out in the last three years, or the award of orders for local subcontracting, **comprising a level of Israeli added value of at least 35%**, shall result in Industrial Cooperation credits in a value of 100% of the business deal nominal price.
 - 7.2. In some instances, subject to the rules to be published and on a case by case basis, the ICA will be entitled to grant credits exceeding 100% of the business deal price, by virtue of Industrial Cooperation activities of a unique nature, or activities implemented with preferred industry sectors and regions.
8. Furthermore we are aware that:
 - 8.1. Any grant that was provided by the Government of Israel as part of a plan for an investment, acquisition or funding of a R&D project, shall not be taken into account for the purpose of calculating our Industrial Cooperation Expenditures such as: agent commissions, personnel expenses, office expenses and other expenses that were incurred for the purpose of promoting our sales in Israel, shall not be recognized as Industrial Cooperation activities.

- 8.2. Purchase of shares of Israeli companies to which the Securities Law 5728-1968 applies, to the extent in which the purchaser is not deemed to be “*a party with an interest*” as defined in the said Law, will not be considered as Industrial Cooperation.
 - 8.3. Any activity of ours with the Israeli industry that was carried out prior to being awarded with the Buyer’s contract shall not be eligible for crediting purposes.
 - 8.4. Any Industrial Cooperation activity to be carried out by us which is not part of our fulfillment program will be subject to ICA’s prior approval.
 - 8.5. Any activity of ours with the Israeli industry that incurs Offset/Industrial Cooperation obligations on the Israeli industry shall not be eligible for crediting purposes.
9. Aimed at demonstrating our serious intentions regarding the fulfillment of our undertaking, we commit to take the following steps:
- 9.1. To furnish along with the submission of our bid or price proposal (the latest between the two), a fulfillment program for our undertaking, if we win the above mentioned tender. We will use Attachment A to specify the program including as many details as possible of subjects for Industrial Cooperation with the Israeli industry, implementation mile stones and time frame of completion, having regard to activities as outlined in clause 3 above.
 - 9.2. Part of that program will be the appointment and written notification of a competent person to act as our Industrial Cooperation Coordinator (ICC), who will be responsible on our behalf for the fulfillment of this undertaking, for managing the activities in this regard and serve as our contact with the ICA, with the Israeli industry and other business entities. The appointee’s name and position in our organization and all other complementary information will be fully outlined in the program submitted.

In case the ICC is replaced at any time in the future, we are committed to notify the ICA within 72 hours from the time the replacement took place.
 - 9.3. To take all conventional measures, including the use of consultation services, conducting a professional survey in Israel, visiting business

entities in Israel and vice versa, or any other means aimed at the examination of business feasibilities in Israel.

9.4. Once every year (on January 31) and until our undertaking is fully satisfied, we shall furnish the ICA with written - in a format to be set by the ICA - reports, having regard to the fulfillment of our undertaking for Industrial Cooperation, which will include the following data:

9.4.1. Full identifying details of orders for Israeli products, work and services, local Subcontracts, investments or any other Industrial Cooperation activities carried out during the reporting period, subject to the rules set forth in clause 9 above.

9.4.2. Any additional information that might be required by the ICA, regarding activities we've carried out aimed at the fulfillment of our undertaking.

10. Non compliance with any of the requirements outlined in clause 9 will be deemed as a violation of our undertaking.

11. All communications on our behalf having regard to the fulfillment of this undertaking will be sent to the ICA at the following address:

Industrial Cooperation Authority

Ministry of Industry Trade and Labor

86 Menachem Begin Rd.

P.O. Box 36049

Tel Aviv 67138, Israel.

Tel: (972) 3 5652703 Fax: (972) 3 5634177

and additionally, for U.S. and Canadian companies:

The U.S. Director - ICA

Government of Israel Economic Mission

800 Second Ave. 17th Floor,

New York, NY 10017, U.S.A.

Tel: (212) 499 5741, Fax: (212) 499 5745

Signature of an authorized officer on behalf of the Supplier: _____

If the bid is submitted by an importer and/or a leasing services provider, this document should be signed by an authorized officer on behalf of the foreign manufacturer of the goods or services to be supplied pursuant to the a.m. tender.

Name: _____ Title: _____

Phone No.: _____ Fax No: _____

Signature: _____ Date: _____

Email: _____ Web Site: _____

Attachment A

to the

Industrial Cooperation Undertaking

Related to Tender/RFP No. 118/2011

Issued by Dated
.....

Pursuant to clause 11(a) of the a.m. document, we (full company name) , hereby submit our Fulfillment Program, that will serve as our initial draft, aimed at the satisfaction of our a.m. undertaking, as follows:

1. In accordance with clause 3 of our undertaking, our fulfillment activities will be in the fields of one or more of the following Industrial Cooperation Categories:

- | | |
|---|--|
| <input type="checkbox"/> Local Subcontracting | <input type="checkbox"/> R&D Orders |
| <input type="checkbox"/> Investments | <input type="checkbox"/> Acquisition of Israeli Products, Work or Services |
| <input type="checkbox"/> Know-How transfer | <input type="checkbox"/> Other |

2. Anticipated / Approximate dates of the following mile stones implementation:

- a. Conducting an Israeli industry survey:
- b. Projects and partners selection:
- c. Starting date of IC activities implementation:
- d. Full program accomplishment:

3. Following is our prospective Fulfillment Program.

Industrial Cooperation Category	Transaction Description	Estimated Timeframe		Names of Israeli Entities Involved	Transaction Value	Israeli entity's Contact Person info.
		Start Date	Due Date			
				Total Fulfillment Value		

(Additional records, should be registered in the same table format).

Name: _____ Title: _____
 Signature: _____ Date _____

Note: For further clarifications or assistance in filling out this document, please contact the corresponding ICA representative, to be found at: www.ica.gov.il

Appendix H1: The Company Undertakings Regarding Biometric Reference Project

The undersigned _____ [*name of the Company*] (the "**Company**"), hereby confirms and warrants to the Biometric Database Management Authority and to the Tender Committee of the Ministry of Interior of the State of Israel as follows:

1. The Company is _____ [*Parent Company / Subsidiary / Fellow Subsidiary*] of _____ [*name of the Respondent*] ("**Respondent**").
2. The Company is a company duly incorporated, duly organized and is validly existing under the laws of _____, and whose identifying number is _____.
3. The Company and its holders of controlling interest, are not incorporated in or residents of a country that does not maintain diplomatic relations with the State of Israel.
4. The Respondent has informed the Parent Company of Tender 82/2013 for the Supply of a Biometric Matching System ("**Tender**"), and of its participation in the Tender.
5. The Company hereby agrees that its experience in supplying biometric matching systems shall be examined by Tender Committee as part of the assessment of Respondent's proposal according to sections 15, 24 and 25 of the Tender. The Company has been _____ [*prime contractor / Key Subcontractor*] in the following Biometric Reference Projects: [*please specify the names of the projects*]:
 - 5.1. _____
 - 5.2. _____
6. The Company confirms that all information which is included by it or on its behalf in Respondent's proposal is true, accurate, complete and correct as of the date of signing this statement.
7. The Company undertakes to provide the Respondent, if awarded the Tender, with all the knowledge, know-how and personnel required in order to allow Respondent to fulfill its undertakings according to the Contract in their entirety, throughout the contractual period, and in a timely manner.

8. The execution, delivery and performance by the Company of its undertakings pursuant to this declaration are within its corporate powers, have been duly authorized by all necessary corporate and other actions and do not contravene: (a) the organizational documents of the Company; (b) any law, rule or regulation having the force of law in _____; (c) to the best of the undersigned's knowledge, any judgment, writ, injunction, decree or ruling of any court or other governmental body applicable to the Company; or (d) any agreement, contract or other instrument known to the undersigned to which the Company is a party or to which it is subject.
9. Unless otherwise defined herein, all terms shall have the same meaning ascribed to them in the Tender.

Date

Stamp and signature

Certification

I, the undersigned, hereby certify that on the date of _____, Mr./Ms. _____ bearer of identity number _____, appeared before me _____, Attorney-at-Law, and after having been cautioned to state the truth or otherwise be subject to penalties prescribed by law if he/she fails to do so, affirmed the accuracy of his/her declaration above and signed upon it in my presence.

I hereby confirm that Mr./Ms. _____ is authorized to sign on behalf of _____, and to commit it for purposes of the Tender, for all purposes and intents.

Attorney-at-Law

Appendix H2: Parent Company Undertaking Regarding Financial Strength

The undersigned _____ [*name of the Parent Company*] (the "**Parent Company**" or the "**Company**"), hereby confirms and warrants to the Biometric Database Management Authority and to the Tender Committee of the Ministry of Interior of the State of Israel as follows:

1. The Parent Company holds at least eighty five percent of the Means of Control of _____ [*name of the Respondent*] ("**Respondent**").
2. The Parent Company is a company duly incorporated, duly organized and validly exists under the laws of _____, and whose identifying number is _____.
3. The Parent Company and its holders of controlling interest, are not incorporated in or residents of a country that does not maintain diplomatic relations with the State of Israel.
4. The Respondent has informed the Parent Company of Tender 82/2013 for the Supply of a Biometric Matching System ("**Tender**"), the pertinent details of the Tender; and of its participation in the Tender.
5. The Parent Company hereby requests that its own financial information, which is included in Respondent's proposal shall be considered in determination of the Respondent's compliance with the requirement for financial strength, set forth in Section 19 of the Tender, instead of the Respondent's financial information.
6. The Parent Company confirms that all information which is included by it or on its behalf in Respondent's proposal is true, accurate, complete and correct as of the date of signing this statement.
7. Unless otherwise defined herein, all terms shall have the same meaning ascribed to them in the Tender.

Date

Stamp and signature

Certification

I, the undersigned, hereby certify that on the date of _____, Mr./Ms. _____ bearer of identity number _____, appeared before me _____, Attorney-at-Law, and after having been cautioned to state the truth or otherwise be subject to penalties prescribed by law if he/she fails to do so, affirmed the accuracy of his/her declaration above and signed upon it in my presence.

I hereby confirm that Mr./Ms. _____ is authorized to sign on behalf of _____, and to commit it for purposes of the Tender, for all purposes and intents.

Attorney-at-Law

**Appendix I: Technology Subcontractor Affidavit Pursuant to
Section 20 of the Tender**

1. I _____, the undersigned, bearer of identity / passport number _____, am making this affidavit with respect to Tender No. 82/2013 for the Supply of a Biometric Matching System ("**Tender**").
2. I am submitting this affidavit on behalf of _____ corporation (the "**Technology Subcontractor**"). The Technology Subcontractor is a company duly incorporated, duly organized and is validly existing under the laws of _____, and whose identifying number is _____.
3. The Technology Subcontractor and its holders of controlling interest, are not incorporated in or residents of a country that does not maintain diplomatic relations with the State of Israel.
4. I have read the Tender Documents and understood them.
5. The Technology Subcontractor confirms that all information which is included by it or on its behalf in Respondent's proposal is true, accurate, complete and correct as of the date of signing this statement.
6. The Technology Subcontractor is the owner of, and entitled to disseminate, all the rights (including intellectual property rights) to the following tools, methods, products and components:
 - 6.1. _____
 - 6.2. _____
7. The Technology Subcontractor has provided Respondent with all the necessary approvals concerning the tools, methods, products and components listed above, and has entitled the Respondent to use and disseminate the said rights and to enter into the Contract.
8. The Technology Subcontractor hereby declares that the agreement between it and the Respondent does not contain any undertaking which would withhold the Technology Subcontractor from providing services or parts of the System directly to the Biometric Database Management Authority.
9. This is my name, my signature, and the content of this affidavit is true.
10. Unless otherwise defined herein, all terms shall have the same meaning ascribed to them in the Tender.

Date

Stamp and signature

Certification

I, the undersigned, hereby certify that on the date of _____, Mr./Ms. _____ bearer of identity number _____, appeared before me _____, Attorney-at-Law, and after having been cautioned to state the truth or otherwise be subject to penalties prescribed by law if he/she fails to do so, affirmed the accuracy of his/her declaration above and signed upon it in my presence.

I hereby confirm that Mr./Ms. _____ is authorized to sign on behalf of _____, and to commit it for purposes of the Tender, for all purposes and intents.

Attorney-at-Law

Appendix J: Presentation and Demonstration

1. Presentation

- 1.1. The Presentations will focus mostly on technology and on technical aspects of the Proposed System, and the Proposed System's compliance with Tender requirements.
- 1.2. Respondent's presentation shall address the following issues:
 - 1.2.1. Brief Corporate overview – up to ten minutes.
 - 1.2.2. Details of **specific relevant** Biometric Reference Project (which is as similar as possible to Proposed System), including:
 - 1.2.2.1. The role of the Respondent and the Technology Subcontractors;
 - 1.2.2.2. **Relevant** Project requirements; Project timelines and current status;
 - 1.2.2.3. Detailed solution components and architecture – hardware and software ;
 - 1.2.2.4. Technical details;
 - 1.2.2.5. Third party components and engines;
 - 1.2.2.6. Key workflow processes implemented;
 - 1.2.2.7. Project performance metrics and statistics (specified and achieved);
 - 1.2.2.8. Accuracy parameters (achieved), including FAR, FRR, ROC graphs (logarithmic); for De-duplication/Identification; and for Verification (as applicable);
 - 1.2.2.9. Performance information (response time for Identification and for verification queries; peak search limitations/constraints);
 - 1.2.3. Detailed overview of the **Proposed System**, including relevant parameters as above and as stipulated in Tender requirements.

- 1.2.4. Architecture performance considerations (e.g.: expected impact of changing the number of servers); up-scaling requirements and parameters (e.g.: required number of servers for various expected Database sizes – from 300,000 records to 7,000,000 records).
- 1.2.5. Key Screenshots of the proposed operator interface, workflow, image processing and comparison features.
- 1.2.6. Details of the underlying biometric matching engines.
- 1.2.7. Any additional relevant information that may, in Respondent's opinion, assist Authority to fully understand and assess Respondent's proposal and presentation; and to optimize Purchaser's preparations for rollout.

2. Demonstration

Respondent will set-up a live demonstration based on the following principles:

- 2.1. The demo system will be based on a minimal hardware and software configuration, which allows demonstrating the key features of the Proposed System (the proposed matching engines, fusion mechanism, workflow solution, display and comparison functionality, etc.).
- 2.2. The Respondent will install and will execute the demo on its own hardware and software infrastructure.
- 2.3. The demo system is required to be a functional system, but **may be a "light" version, installed on basic hardware** (e.g.: based on VM; can be installed on laptops if relevant, etc.). Please note – performance (processing time, response time, etc.) will not be measured within the live demo.
- 2.4. Biometric data and database for the demonstration:
 - 2.4.1. Respondent will provide a "simulative" (gallery) database of ten thousand biometric records (fingerprint pairs and face images).
 - 2.4.2. Purchaser will provide several hundred biometric images (which may include fingerprint pairs and face images), some of which may be "live" records originating from enrolment

systems installed and intended for use in the Israeli Biometric Database Project.

2.4.3. Purchaser may, in addition, use a public (gallery) database of its own choice. In such a case, Respondent will also upload such images into the system.

2.5. Objectives

The key objectives of the live demonstration are to demonstrate the Respondent's Proposed System and its compliance with the Tender requirements, especially in terms of:

2.5.1. **Workflow**

The demonstration should focus on the proposed workflow flexibility, users' working procedures, ease of use and efficiency. Respondents are required to demonstrate the Key Workflow or a workflow which is similar to it. Respondent may also demonstrate different workflow(s), which demonstrate the flexibility, ease of use and efficiency of the proposed workflow system. In addition, efficiency, control and ease of manual operations should be highlighted.

2.5.2. **Accuracy** (FAR, FRR, ROC)

The FAR and FRR of the demo system will be measured and demonstrated, as well as optimization and tuning recommendations against a database supplied by Respondent and Supplier as detailed in section 2.4 above.

Purchaser is aware of the fact that the data and the conditions of the demonstration are not representative of the actual Proposed System, therefore, these measurements will only provide comparative data and will allow the Authority to better evaluate the Proposed System.

2.5.3. **MMI (Man Machine Interface) / GUI** (Graphical User Interface) – clarity, flexibility, ease of use, and efficiency will be reviewed.

2.5.4. **Display functionality** and ease of use and efficiency of manual image comparisons.

2.5.5. Other key points which the Respondent finds relevant and wishes to highlight.

3. **Schedule and preparations**

- 3.1. Respondent will be informed regarding date and location (in Israel) of presentation and demonstration, at least ten days in advance.
- 3.2. Respondents' technical representatives will be allowed to arrive one day prior to the actual demonstration, to set-up and test the demo. Respondent is required to inform Purchaser in advance, if and when its technical representatives will arrive; and provide names and identifying information of its representatives.
- 3.3. A technical representative on behalf of the Purchaser will be available to assist.
- 3.4. Respondent representatives will be fully responsible for setting up the demo system and the gallery database.
- 3.5. Purchaser's biometric images will be provided to Respondent on the day of the actual live demo or on the previous day, and will include files containing JPEG and WSQ files which will be uploaded into the system by Respondent upon commencement of the Demonstration.

4. **Confidentiality**

- 4.1. Respondent shall sign, prior to the demonstration a document regarding confidentiality of the live data which will be provided to it by Purchaser for the live demonstration; its commitment that all such data will be immediately deleted upon completion of the live demo, and that no copies of any data will be retained by Respondent or its representatives.
- 4.2. Upon completion of the live demo, Respondent must delete all the data which was used for the demonstration.
- 4.3. Upon completion of the demo, Respondent must send Purchaser a signed confirmation that all such data has been deleted.

Appendix K: Dynamic Online Tender

1. The Dynamic Online Tender – General

- 1.1. The dynamic online tender ("**Dynamic Tender**") shall be conducted via the Government Procurement Administration site, at <https://card.tender.gov.il> ("**Tender Site**").
- 1.2. Participation in the Dynamic Tender shall be allowed only to Qualified Respondents that have been identified by Tender Site via their representatives, as stipulated in section 10.1 below.

2. The Initial Bid

- 2.1. The initial bid of each Respondent shall be based on the information and prices quoted in Respondent's proposal ("**Initial Bid**"). Unless stated otherwise below, the price components of the Initial Bid will be entered into the Dynamic Tender Site, by the Authority.
- 2.2. Some of the components of the Initial Bid shall be constant throughout the Dynamic Tender and the Respondent will not be able to change the price or the data submitted for these components.
- 2.3. The Initial Bid will include the following components:
 - 2.3.1. **New Unique Record Price ("NUR-P")** – The price stated in the Initial Bid shall be identical to the price quoted on the Price Proposal Form. This price may be reduced by the Respondent during the Dynamic Tender.
 - 2.3.2. **Number of Standard Servers ("SN")** – The number of Standard Servers stated in the Initial Bid shall be identical to the number of servers stated in Respondent's proposal. It **shall stay constant** throughout the Dynamic Tender and Respondents will not be able to change it.
 - 2.3.3. **Price per unit for COTS** – The COTS Configuration shall be identical to the COTS Configuration stated in Respondent's proposal. The Respondent shall enter its final proposed prices per unit, for each COTS hardware component (excluding the Standard Servers). The prices may not be higher than the prices quoted within the Price Proposal Form. COTS

hardware prices and COTS-P **shall stay constant** throughout the Dynamic Tender and Respondents will not be able to change them.

2.3.4. **Database Price ("DB-P")** – Respondent shall enter its final proposed Database Price. This price may not be higher than the prices quoted within the Price Proposal Form, and **shall stay constant** throughout the Dynamic Tender and Respondents will not be able to change it.

2.3.5. **Test Clustering System Price ("TCS-P")** – The price stated in the Initial Bid shall be identical to the price quoted on the Price Proposal Form. This price may be reduced by the Respondent during the Dynamic Tender.

2.3.6. **M&D Hour Price ("M&D-H-P")** – The price stated in the Initial Bid shall be identical to the price quoted on the Price Proposal Form. This price may be reduced by the Respondent during the Dynamic Tender.

3. **Dynamic Tender Schedule and Times**

3.1. The Qualified Respondents will receive notice of the date of the Dynamic Tender at least seven days in advance.

3.2. The Dynamic Tender is scheduled to begin at 14:00 Israel local time, on the designated date.

3.3. In the event that the Dynamic Online Tender continues until 22:00, the Tender Committee (or anyone on its behalf) may decide to continue the Dynamic Tender procedure until its conclusion or to temporarily interrupt the procedure at a specific time and to continue it on the following day at 14:00, from the exact stage at which the procedure was interrupted.

3.4. The Dynamic Tender will be open for twenty minutes, and will be extended whenever a bid is submitted within the five final minutes of the Dynamic Tender, by an additional five minutes from the time at which the bid was accepted by the dynamic online tender administration system.

3.5. Each bid accepted in the final five minutes of the Dynamic Tender shall reset the clock, allowing Respondents to submit additional bids for five

minutes from the time of the last bid submission. This shall be done irrespective of whether the bid submitted awards the Respondent with a Weighted Score that is higher than the bid with the current highest Weighted Score ("Leading Bid").

3.6. Example:

The Dynamic Tender is scheduled to close at 15:20. A bid was accepted by the Dynamic Tender system at 15:18. The closing time will be automatically extended to 15:23. Another bid was accepted at 15:20, extending the closing time to 15:25. Another bid was accepted at 15:24, automatically extending the Dynamic Tender closing time to 15:29, etc.

4. **Submission of Bids**

- 4.1. The Respondent shall submit their Initial Bid during the first twenty minutes of the Dynamic Tender and may submit additional bids (unlimited in number) as long as the status of the Dynamic Tender is not "closed".
- 4.2. In order to submit a bid, the Respondent shall enter its bid via the Tender Site, and will click on "Enter a Bid" button.
- 4.3. The Dynamic Tender system will automatically calculate the Weighted Price and the Bidder will be prompted to confirm the bid.
- 4.4. After confirming the bid, the Bidder will have no claim based on typographical errors.
- 4.5. The Respondent shall receive information regarding its Weighted Score and the Leading Bid after submitting the Initial Bid. This information shall be updated during the Dynamic Tender, on an ongoing basis.
- 4.6. The Respondents may reduce the proposed price for: New Unique Record; for the Test Clustering System; or for the M&D Hour (it may reduce the price for all or some of the foregoing components). The Weighted Price of a bid must be reduced by **at least five thousand USD** compared to the Respondent's previous bid.
- 4.7. A bid in which the proposed price for any of the foregoing components shall be higher than the price proposed for the same component in the Respondent's recent bid, or in which its Weighted Price shall not be

reduced by at least five thousand USD, **shall be rejected** by the Dynamic Tender system.

5. **Price Score**

5.1. At each stage of the Dynamic Tender, the Respondent that submitted the lowest Weighted Price will receive the maximum score (sixty points). Respondents who offer higher Weighted Prices will be awarded points according to the following formula:

$$\text{Respondent's Price Score} = P_x/P_n \times 60$$

(Whereby P_x – the lowest Weighted Price at this point in time; P_n – the Weighted Price offered by Respondent at this point in time).

For comparison purposes, the calculated score will be rounded to 3 digits after the decimal point.

5.2. The Price Score and the Weighted Score of each Respondent shall be updated automatically during the Dynamic Tender.

6. **Additional Tendering Rules**

6.1. The Respondent shall not receive information on the other Respondents, their identity, Qualitative Score or the number of Qualified Respondents participating in the Dynamic Tender.

6.2. The Tender Committee or anyone on its behalf will be able to view all the details of the Respondents, including the Weighted Score and the Price Score of each of the Respondents, during the Dynamic Tender.

7. **Closing the Dynamic Tender**

7.1. The Dynamic Tender will enter a waiting mode if no bid shall be accepted at the Dynamic Tender System during the final five minutes of the Dynamic Tender.

7.2. The waiting mode shall proceed for eight minutes, in order to ensure that there is no Respondent that has encountered technical difficulties that prevented it from entering a new bid.

7.3. Tender Committee may decide whether to conclude the Dynamic Tender or to re-open it as described herein:

7.3.1. A Respondent who wishes to enter an improved bid relative to his previous bid, and encounters technical difficulties which

prevent him from doing so, may contact the Tender Committee via the telephone number listed in section 9.3 below, during the eight minutes of the waiting mode.

7.3.2. If the Tender Committee determines that a technical issue has prevented a Respondent from entering a bid, it shall re-open the Dynamic Tender to all the Respondents.

7.3.3. Any other cause, other than a technical malfunction, shall not be accepted, and the Tender Committee shall decide to conclude the Dynamic Tender at the end of the eight minute waiting mode.

8. **The Winner of the Tender**

The Respondent that proposed the Leading Bid at the conclusion of the Dynamic Tender shall be awarded the Tender, subject to section 30 of the Tender.

9. **Further Instructions**

9.1. The Respondents will participate in the Dynamic Tender from their offices, using an internet browser on a computer to which the smartcard (to be purchased by the Respondent) can be connected.

9.2. The Tender Committee shall not be responsible for bids that are not entered or accepted as a result of issues or malfunctions on the Respondent's side, or due to the means used by a Respondent to submit the bids.

9.3. Respondents may not address the Tender Committee during the Dynamic Tender, except in the event of a technical malfunction. Technical questions regarding technical malfunctions shall be answered by a technical team (telephone no. 972-8-912-4758).

9.4. The technical team may contact Respondents by telephone during the Dynamic Tender if necessary or in the event that a malfunction occurs.

9.5. All correspondence and telephone conversations between bidders and the technical team will be documented for the purpose of oversight and control.

- 9.6. The Tender Committee reserves the right to cancel the Dynamic Tender in the event of a technical malfunction in the Dynamic Tender System, and notify the Respondents of a new date for the Dynamic Tender.

10. **Smartcard and Respondent's Representatives**

- 10.1. In order to participate in the Dynamic Tender, Respondents must present two representatives on its behalf, each one of which will be the Respondent's authorized signatory for the Dynamic Tender.
- 10.2. The Respondent shall furnish Tender Committee with an affidavit, attesting to the names of its representatives, their ID number and any additional information required by Tender Committee, within seven days from Authority's request.
- 10.3. In order to participate in the Dynamic Tender, the Qualified Respondents must identify themselves via their representatives, using a smartcard, and by entering the card owner's personal identification number (PIN).
- 10.4. Each of the Qualified Respondent's representatives shall have a smart card (and a smartcard reader). The Representatives shall not access the Tender Site simultaneously. One of the smartcards will be used as a primary smartcard, which the Respondent will use from its planned station. The other smartcard shall be used as an alternate smartcard. It will be used by the Respondent in the event of a malfunction in the primary participation station.
- 10.5. Qualified Respondents who wish to participate in the Dynamic Tender should purchase a smartcard from one of the following companies (who are certified by the Israeli government to issue smartcards):

Comsign: Information regarding smartcard issue is available at the following link:

<http://www.comsign.co.il/eng/default.asp> For additional information, contact Tel: 972-3-644-3620.

Personal ID: Information regarding smartcard issue is available at the following link:

<http://www.personalid.co.il>.

For additional information, contact Tel: 972-73-290-0047.

- 10.6. Foreign residents may also purchase smartcards, although the Authority advises the Respondents to purchase the smartcard through at least one of their representatives who has an Israeli ID card.
- 10.7. Each smartcard has a unique identifier that is connected to a single individual. In other words, the primary and alternate smartcards are issued to two different individuals, which should be present at the Respondent during the Dynamic Tender.

11. **Guidance and Trial Dynamic Tender**

- 11.1. The Qualified Respondents shall be invited to participate in a guidance session for the Dynamic Tender System, which will be conducted in Israel (in Hebrew).
- 11.2. In addition, a trial Dynamic Tender procedure shall be conducted, in which the Qualified Respondents will practice the operation of the Dynamic Tender system according to the rules set forth in this appendix.
- 11.3. The trial Dynamic Tender will be virtual and will simulate the Dynamic Tender.
- 11.4. Tender Committee shall notify the Qualified Respondents of the time of the guidance and the trial Dynamic Tender at least 10 days in advance.
- 11.5. Participation in the trial tender is essential in order to ensure the smooth operation of the Dynamic Tender.
- 11.6. **Respondent that will not participate in the guidance or in the trial Dynamic Tender waves any claim it might have against Tender Committee in respect of any operating difficulties it may encounter or its inability to properly participate in the Dynamic Tender.**

Appendix L: List of Consultants

1. Dr. Omer Dekel, Adv., Sarit Yakuti, Adv. – Legal Advisors.
2. Mr. Lior Kamil - Innovation Technologies Ltd.

Appendix M: Contract

Contract

Entered into in Jerusalem, Israel, on the ____ of _____, 2013

- Between -

Government of Israel, by the Biometric Database Management Authority, through its authorized signatories, Director General of the Biometric Database Management Authority and Comptroller of the Ministry of the Interior;

(Hereinafter: "Government")

As one party;

-And-

Whose address is _____

Registered in the _____ Register

Corporate no. _____

By the authorized signatories _____

(Hereinafter: "Supplier")

As the second party;

Whereas: Israel's Biometric Identification Law, 5769 - 2009 instructs the Government to establish a biometric database, through the Biometric Database Management Authority; and

Whereas: The Biometric Database Management Authority has published a tender for the supply of a biometric matching system, specifying the criteria to be satisfied by the Supplier and by the biometric matching system proposed by Supplier; and

Whereas: Supplier was awarded the tender to supply said system; and

Whereas: Supplier agrees to supply the system to the State of Israel, and is qualified to enter into this Agreement by all relevant law or contract;

Therefore it is declared, stipulated and agreed between the parties as follows:

1. **Preamble**

- 1.1. The preamble and schedules to this Agreement constitute an integral part thereof.
- 1.2. This Agreement and the schedules appended hereto constitute the complete and exclusive agreement between the parties, regarding the matters stipulated therein.
- 1.3. The schedules to this Agreement are as follows:
 - 1.3.1. Schedule 1 – Definitions (Appendix A of the Tender);
 - 1.3.2. Schedule 2 – Time schedule;
 - 1.3.3. Schedule 3 – System environments;
 - 1.3.4. Schedule 4 – System Documentation;
 - 1.3.5. Schedule 5 – SOW;
 - 1.3.6. Schedule 6 – Detailed Specifications;
 - 1.3.7. Schedule 7 – Training Guidelines and Framework;
 - 1.3.8. Schedule 8 – Escrow Agreement;
 - 1.3.9. Schedule 9 – Supplier's Confidentiality Undertakings;
 - 1.3.10. Schedule 10 - Supplier's Representative's Confidentiality Undertakings;
 - 1.3.11. Schedule 11 – Insurance Certificate;
 - 1.3.12. Schedule 12 – Performance Bond;
 - 1.3.13. Schedule 13 – The Technical Requirements (appendix B of the Tender).
 - 1.3.14. Schedule 14 – Supplier's proposal to the Tender.

2. **Definitions**

2.1. All capitalized terms in this Agreement shall have the meanings set forth in Schedule 1.

3. **Term of Agreement**

3.1. The parties hereby enter into a five-year Agreement commencing on the date of its signing by the authorized signatories of the Authority ("**Initial Contract Term**").

3.2. Notwithstanding the above, Purchaser has the right to extend the Initial Contract Term for two additional periods of thirty months each, not to exceed a total aggregate period of ten years (including the Initial Contract Term).

3.3. The undertakings of the parties pursuant to the provisions of this Agreement, which by their nature are not limited to the contractual period, shall remain in effect subsequent to the contractual period as well. Without derogating from the generality of the above, it is agreed that the undertakings stipulated by sections 22 and 25 below constitute such commitments.

4. **Representations of Supplier**

4.1. Supplier hereby warrants that it is authorized to enter into this Contract and that there is no contractual, legal or other hindrance to perform or fulfill its commitments, obligations and undertakings hereunder and in the Proposal, including the supply of the System.

4.2. Supplier represents and warrants that all software programs included in the System and supplied by the Supplier are owned by it or that it has in its possession a lawful agreement for their distribution, marketing or sale.

4.3. Supplier represents and warrants that it possesses the professional knowledge, experience, expertise, and skills required in order to supply the System; that Supplier has all the necessary tools at its disposal, and that it possesses the relevant abilities and skills to fulfill its commitments under this Agreement fully and in a timely manner.

4.4. Supplier represents and warrants that it understands the needs and requirements of the Authority with regard to this Agreement, and that all

of these needs and requirements can be achieved through the Proposal.

- 4.5. Supplier represents and warrants that it has signed this Agreement after carefully reviewing the text of the Law and the Tender Documents, that it has understood them, has received all of the explanations and instructions required in order to prepare the Proposal and its undertakings pursuant to this Agreement, and that it has no claim against the Authority with regard to incomplete or insufficient disclosure, error or defect with regard to the data or the tasks required in supplying the System;
- 4.6. Without derogating from the generality of the above, Supplier represents and warrants that it has received all information as to enrollment outputs quality, and that it waives any claim as to the effect of such quality on its commitments under this Agreement and its Proposal.
- 4.7. Supplier represents and warrants that it is aware that Authority has contracted with it on the basis of its Proposal and on the basis of the representations and undertakings made and asserted in the Proposal and in this Agreement, above and herein.
- 4.8. Supplier represents and warrants to perform its undertakings under this Agreement in a proper manner which meets all the requirements set forth in the Tender and in this Agreement, in accordance with the schedule; while maintaining high professional standards, by means of professional and experienced staff; all the while maintaining compliance with all the relevant international and Israeli standards, including standards concerning safety at work, production and development.

5. **The System - General**

- 5.1. Supplier undertakes to design, customize and supply the System according to the provisions of this Agreement.
- 5.2. Supplier will supply the most recent version of the System.
- 5.3. Supplier will furnish Authority with all required licenses to allow irrevocable and unlimited rights of use in the System and System Documentation. These licenses shall be unlimited in time or purpose (except for commercial purpose), and will include the right to modify,

reproduce, deliver to a third party for receipt of service and to take any action which the Purchaser deems appropriate in the System and ancillary products, and in System Documentation.

- 5.3.1. Supplier will provide said licenses without requiring Authority to sign any additional agreements.
- 5.3.2. It is hereby clarified that abovementioned licenses shall not be limited to the contractual period, and that the Authority shall be entitled to use the System according to said licenses after the termination of this Agreement.
- 5.7. Supplier will supply, within ten days from Purchaser's request, all database components, licensing, installation media and all documentation required, according to the Database Licenses included in the Proposal, at the prices specified in the Proposal, subject to all the following terms:
 - 5.7.1. Authority's request was made before the commencement of the Customization Stage.
 - 5.7.2. The Database Price proposed by Supplier is not AG Database Price.
- 5.8. Purchaser is not obliged to acquire licensing according to the Database Licenses from the Supplier, and it may, at its sole discretion, buy these licenses from other vendors.
- 5.9. Licenses supplied by the Supplier according to the Database Licenses shall be unlimited in time or purpose (except for commercial purpose), and will include the right to modify, reproduce, deliver to a third party for receipt of service and to take any action which the Purchaser deems appropriate in the database.
 - 5.9.1. It is hereby clarified that the said licenses shall not be limited to the System or to the Authority, and the Government shall be entitled to use them in projects that are not related to the System.
- 5.10. It is hereby clarified that all Database Licenses are an integral part of the System, regardless of whether they are supplied by Supplier. All the undertakings of the Supplier according to this Agreement that relates to the System, or part thereof (including ongoing support, updates and

upgrades, documentation, training and professional guidance), also apply to the Database Licenses.

- 5.11. Supplier will install the System environments according to Schedule 3 of the Agreement, on servers which will be supplied by the Purchaser.
- 5.12. Each of the System environments will be installed on the amount of servers required according to the System configuration proposed within the Proposal.
 - 5.12.1. If the System performance and accuracy does not fully comply with the Technical Requirements and with Supplier's undertakings according to this Agreement, Supplier will provide, at no additional cost to Purchaser, any additional licenses, tools and services as will be required, in order to meet these requirements and undertakings; and will pay the costs of any additional servers, licenses or tools, including auxiliary components and services thereof, that will be required in order to align the System with the foregoing requirements and undertakings. It is hereby clarified that the above will apply throughout the duration of the Agreement.
- 5.13. Supplier represents that the System will work using COTS hardware only. Therefore, Supplier hereby waives any claim regarding lack of compatibility between COTS hardware used by Authority and the System, insomuch as Authority will use COTS hardware similar to hardware described in the Tender and in Supplier's Proposal.
- 5.14. Supplier will supply, within thirty days from Purchaser's request, the COTS hardware listed in the Proposal, in the quantities detailed in the request and according to the prices specified in the Proposal, provided that the price of the requested hardware according to the Proposal is not the AG Price. Supplier will provide the Authority with all the information which may be required to enable Authority to harden COTS hardware it has provided.
- 5.15. Purchaser is not obliged to acquire any hardware from Supplier, and it may, at its sole discretion, purchase some or all of the hardware from Supplier or from other vendors.

- 5.16. Purchaser may execute internal tests, at its sole discretion, in order to evaluate System accuracy and performance. The results of these tests will be the basis for determining if System is in compliance with Tender requirements and the Proposal, and may entitle Authority to agreed compensations according to section 18 below.
- 5.17. Purchaser may execute independent security and vulnerability tests. In the event that a Critical Bug arises as a result of these tests, and Purchaser has informed Supplier, Supplier shall act in accordance with section 15.8.1 and shall provide Purchaser, as early as reasonably possible, with a detailed written analysis and explanation regarding the security issue, followed by detailed descriptions of all steps and actions that were taken to resolve the issues, and their outcomes.
- 5.18. Purchaser may decide to develop certain modules external to/a layer above the system. Supplier will provide Purchaser with API specifications, documentation the actual API interface, and any constraints thereof, in order to enable this. In cases where API development support will be required, this will be provided by Supplier to Purchaser as an M&D or as additional professional support (as specified in section 19.4 below), as applicable..
- 5.19. Upon Authority's written request, Supplier will perform all actions required in order to adapt the System to new and improved standards regarding the quality of face and fingerprint images which are received from PIBA enrolment systems, at no additional cost to Purchaser. Terms of section 16 will apply, mutatis mutandis.

6. **Updates and Upgrades**

- 6.1. Supplier will supply Purchaser with updates and upgrades for the System when so released, including all associated documentation.
- 6.2. Without derogating from the generality of the above, Supplier will provide Purchaser with upgrades and required procedures to support any new versions of the COTS hardware infrastructure software that has been installed in the System and was provided by the Supplier.
- 6.3. The Authority will provide and install upgrades and updates for operating system software for Standard Servers and for client workstations. In addition, Authority will provide upgrades and updates of

the COTS hardware infrastructure software that has been installed in the System and was not provided by the Supplier. Authority will notify Supplier two months in advance regarding its intent to upgrade the abovementioned components, and the Supplier will support such upgrades or updates (including, if necessary, any required updates or upgrades of System software), and will provide all necessary documentation, guidelines and test procedures (for all environment, as necessary), as required to allow smooth transition to the upgraded versions.

- 6.4. Supplier will notify Authority at least six months in advance and in writing, of any planned changes for support, for any component which is included in the System.
- 6.5. Installing updates and upgrades for System components is at Authority's sole discretion. If the Authority decides not to install an update or upgrade, Supplier shall continue to support Authority's version for a period of at least three years. During this period or at the end of the period, Authority will have the option to update or upgrade the System either to the current version or to a fully supported version, provided that this Agreement is valid.

7. **Documentation**

- 7.1. Supplier will furnish Authority with all the documentation listed in schedule 4 of this Agreement ("**System Documentation**"), both in hardcopy and in electronic format (MS Word or Editable PDF format), within the timeframe stipulated for each of the required documents in schedule 4.
- 7.2. Supplier shall keep System Documentation updated and shall provide Purchaser with updated (electronic) documents. Without derogating from the foregoing, Supplier shall update System Documentation within fourteen days from Authority's written demand.
- 7.3. Supplier shall maintain, on an ongoing basis, a configuration and version control document for all the System software components and documentation (and for all hardware components provided by Supplier); and shall make these documents available to Purchaser.

- 7.4. Schedule 4 shall be updated to include documentation of all updates, upgrades and M&Ds provided by Supplier under this Agreement.

8. **Agreement Milestones**

- 8.1. The Agreement is divided into two key phases:
 - 8.1.1. The Setup Phase;
 - 8.1.2. The Production Phase.
- 8.2. Transition from the Setup Phase to the Production Phase is contingent upon written confirmation by Purchaser that the Setup Phase has terminated. Purchaser may delay said confirmation until the Supplier shall fulfill all of its undertakings related to the Setup Phase or until all of the Setup Phase objectives will be achieved.
- 8.3. Authority shall be entitled to compensation due to late delivery of any Stage within Setup Phase, or due to late delivery of the Setup Phase, as stipulated in section 18 below.

9. **Stages of the Setup Phase**

- 9.1. The Setup Phase is divided into five main stages (each of them shall be hereinafter referred to as a "**Stage**"):
 - 9.1.1. The Detailed Specifications Stage – detailed in section 10.
 - 9.1.2. The Customization Stage – detailed in section 11.
 - 9.1.3. The Training Stage – detailed in section 12.
 - 9.1.4. The Test Stage – detailed in section 13.
 - 9.1.5. The Pre-production Stage – detailed in section 14.
- 9.2. Supplier shall perform its undertakings within the time stipulated in this Agreement. Without derogating from the above, Supplier shall perform undertakings for which the time of execution is not explicitly stated, within the Stage timeframe.
- 9.3. Transition from one Stage to the following Stage is contingent upon written confirmation by Purchaser that the Stage has been completed ("**Stage Transition Confirmation**").
- 9.4. Purchaser may delay a Stage Transition Confirmation until the Supplier shall fulfill all of its undertakings related to the Stage to which the confirmation pertains, or until all of the Stage objectives will be

achieved. Authority shall be entitled to compensation due to late delivery of a Stage, as stipulated in section 18 below.

- 9.5. Purchaser shall not unreasonably delay a Stage Transition Confirmation.
- 9.6. Without derogating from Supplier's undertaking under section 9.2, Purchaser may extend the timeframe scheduled for a Stage at its sole discretion. In this case the Setup Phase shall be extended respectively, unless otherwise stated by Purchaser.
- 9.7. Supplier will perform its obligations during Setup Phase using professional staff experienced with biometric matching systems. Such staff will include the number of employees required for fulfillment of Supplier obligations fully and in a timely manner, and in any case will include at least three Key Employees. Purchaser may decide, at its sole discretion, to allow Supplier to use a staff of two Key Employees.
- 9.8. All meetings between the parties during the Setup Phase shall be conducted in Israel, unless Authority will decide otherwise.

10. **Detailed Specifications Stage**

- 10.1. During the Detailed Specifications Stage the parties will act to establish the final and detailed statement of work and the detailed specifications of the System.
- 10.2. Much of the joint work and correspondence will be done in meetings at Authority's Site. Terms of sections 19.3 and 19.6 shall apply.
- 10.3. Project Orientation Meeting
 - 10.3.1. Within ten days from the commencement of the Detailed Specifications Stage, a project orientation meeting will take place in Israel.
 - 10.3.2. Supplier will present and will provide the following documents:
 - 10.3.2.1. Detailed System Requirements Specifications – as derived from the Tender Documents; to ensure complete coherence between Purchaser requirements and Supplier.
 - 10.3.2.2. Detailed project plan, including schedules (in accordance with this Agreement), Gantt,

milestones, tasks, deliverables and resources (Supplier and Purchaser). These will be continuously updated and delivered to Purchaser on a weekly basis; each update will present actual data compared to original data.

- 10.3.3. Final Project Management and reporting methodology will be concluded at the meeting.
- 10.4. Supplier will furnish Authority, within eighteen days from the commencement of the Detailed Specifications Stage, with a final proposed version of the following documents:
 - 10.4.1. SOW, including at least all the items listed in Schedule 5;
 - 10.4.2. Detailed Specifications, including at least all the items listed in Schedule 6.
 - 10.4.3. Support and Troubleshooting Guidelines, detailing all of the following:
 - 10.4.3.1. The proposed support and troubleshooting mechanism and procedures, which will ensure smooth and seamless operation of the system;
 - 10.4.3.2. Response procedures and response times for bug/error fixes and operational fixes (in accordance with the Agreement timelines), and detailed escalation procedures.
- 10.5. The documents listed in sections 10.4.1-10.4.3 will be prepared by the Supplier, in collaboration with Purchaser and according to Purchaser's instructions (without derogating from Supplier's responsibility).
- 10.6. Authority will review the proposed documents listed in sections 10.4.1-10.4.3, and may approve them, in whole or in part, or not approve them. If Authority has not approved the said documents, or not fully approved them, it will provide Supplier with its comments, and Supplier will furnish Authority with an amended version of these documents within seven days.
- 10.7. The approval of the documents listed in sections 10.4.1-10.4.3 by the Purchaser is a condition for transition to the Customization Stage. The

approved documents shall be hereinafter referred to as the "**SOW**", the "**Detailed Specifications**" and the "**Support and Troubleshooting Guidelines**". These documents shall be appended to this Agreement and shall constitute an integral part thereof.

- 10.8. Supplier will furnish Authority, at least four days prior to commencement of Detailed Specifications Stage, with Curriculum Vitae of its proposed project staff.
- 10.9. Supplier will allow Purchaser to conduct interviews with its staff.
- 10.10. Authority will set the final schedule for installation and training following the approval of the SOW and the Detailed Specifications.
- 10.11. Supplier shall furnish Purchaser, within seven days from the approval of the SOW and Detailed Specifications, with a proposed training program, according to the provisions of schedule 7.

11. **Customization Stage**

- 11.1. During Customization Stage, Supplier will customize the System based on the SOW and in accordance with the Detailed Specification.
- 11.2. Supplier will provide Purchaser with continuous progress reports on the customization activities, and will update Purchaser in writing on any issues and anticipated delays.
- 11.3. The Test and Staging Environments shall be installed by the end of Customization Stage, according to the terms of Schedule 3.
- 11.4. Authority will review the training program proposed by Supplier according to section 10.11 above, and may approve it, in whole or in part, or not approve it. If Authority has not approved the proposed training program, or not fully approved, it will provide Supplier with its comments, and Supplier will furnish Authority with an amended training program within five days. The approved training program shall be hereinafter referred to as the "**Training Program**".
- 11.5. Supplier will furnish Purchaser, within seven days from the approval of the Training Program, all the training manuals in electronic format (MS WORD or editable PDF).

12. **Training Stage**

- 12.1. During Training stage, Supplier will train Purchaser's staff at Authority facilities, according to the Training Program.
- 12.2. Purchaser may record (audio or video) any training sessions. Purchaser will be the owner of all the rights to the aforementioned recordings. Supplier may not retain any copies thereof, nor may it use any of the recordings in any way other than for training Purchaser staff.
- 12.3. Supplier will provide Purchaser with system acceptance test documents and procedures ("**SAT**") for the System within seven days from the commencement of the Training Stage. SAT will also specify the required test data for enabling execution of tests.
- 12.4. SAT will include specifications for a complete test of the DRP Environment.

13. **Test Stage**

- 13.1. Purchaser will conduct tests at its sole discretion, and may conduct the SAT or additional or different tests.
- 13.2. The tests will last between fourteen to thirty days.
- 13.3. Supplier will provide Purchaser with support and may be required to actively participate in the execution of tests of the Test Environment, as will be requested by Purchaser.
- 13.4. Supplier will provide Purchaser with support in the execution of a complete test of the DRP Environment, provided that the Authority shall request such support at least ten days in advance, in writing.
- 13.5. After conducting the tests, Purchaser may, at its sole discretion:
 - 13.5.1. Approve the System as is.
 - 13.5.2. Require Supplier to perform additional actions in order to fully comply with the Detailed Specifications or SOW.
 - 13.5.2.1. Without derogating from the generality of the above, Purchaser may require Supplier to perform System tuning and optimization for achieving optimal performance (matching accuracy, performance and throughput) for Test Environment.

- 13.5.2.2. Supplier will perform, within the shortest possible timeframe and no later than by the end of the Test Stage, all the actions required by Purchaser and any additional actions that are required in order for the System to comply with the SOW and Detailed Specifications.
 - 13.5.3. Reject the System in its entirety. In this case, Authority is allowed, at its sole discretion:
 - 13.5.3.1. To demand Supplier to align the System with Agreed Specifications and SOW, in the timeframe determined by the Purchaser; or
 - 13.5.3.2. To terminate the Agreement. In such case, Supplier will not be eligible to any payment, and will return to Purchaser all the sums paid by Purchaser.
- 13.6. Without derogating from Authority's rights set forth in section 13.5 above, Authority will be entitled to reject the System until all faults discovered during tests have been fully rectified and until the System will comply with the SOW and the Agreed Specifications.
- 13.7. Without derogating from the generality of section 9.4, it is agreed that Tests Stage will terminate only with the approval of the System by Authority in writing.
- 13.8. Supplier will send for approval of Purchaser, within the Test Stage, its recommended thresholds for the system. These recommendations will also include, as best as practically possible, guidelines and recommended thresholds for the scaled-up system (up to ten million records). Authority will review the proposed thresholds, and may approve them, in whole or in part, or not approve them. If Authority has not approved the proposed thresholds, or not fully approved them, it will provide Supplier with its comments, and Supplier will furnish Authority with an amended version within ten days. Authority will review and will test such amended thresholds within seven days. The recommended thresholds, once approved in writing by the Purchaser, shall be hereinafter referred to as the "**Recommended Thresholds**".

14. **Pre-production Stage**

- 14.1. During this Stage, the Production and DRP Environments shall be installed, according to schedule 3.
- 14.2. Supplier shall fully support Purchaser during installations performed by Purchaser. Such support shall include onsite visits, as required or as per Purchaser's request. Supplier undertakes that a Key Employee will be available for meetings and ongoing technical/operational assistance in Israel, during these installations.
- 14.3. The ownership of the System will be transferred to Authority after the Authority will notify Supplier in writing that all of the System environments are approved by Authority ("**System Acceptance Day**").
- 14.4. Nothing by virtue of acceptance of the System shall derogate from Supplier's responsibility to fulfill its obligations under this Agreement or from Purchaser's rights for remedies in case Supplier will breach its obligations.
- 14.5. Authority will purchase on System Acceptance Day, three hundred thousand New Unique Records.

15. **Production Phase**

- 15.1. The Production Phase is divided into two main stages:
 - 15.1.1. Initial Production Stage;
 - 15.1.2. Ongoing Production Stage.
- 15.2. Authority will use the System without restriction on the number of records used.
- 15.3. Authority will pay Supplier for New Unique Records added to the System beyond the records that were purchased on System Acceptance Day, as stipulated in section 14.5.
- 15.4. Supplier will provide Authority, upon its demand and with no additional cost, assistance in:
 - 15.4.1. Monitoring the data quality associated with the biometric enrolment;
 - 15.4.2. Analyzing de-duplication performance and results;

- 15.4.3. Tuning and optimizing the system for improved accuracy and throughput.
- 15.5. Supplier will suggest from time to time ways in which the overall System accuracy and performance can be improved, as scaling of the System occurs.
- 15.6. Without derogating from the generality of the above, Purchaser will have the option to provide Supplier with test data comprising several hundred to several thousand images (fingerprints and optionally face images) acquired from various PIBA enrollment stations; in such case Supplier will execute, at no additional cost to Purchaser, a test / analysis and will provide Purchaser with recommendations and guidelines for achieving improved FAR and FRR figures and supporting data.
 - 15.6.1. The test / analysis will be conducted in a way that complies with the legal requirements relating to the privacy and confidentiality of information in the database.
- 15.7. Supplier will provide Purchaser with System software optimization recommendations, guidelines and sensitivity analysis (for optimizing accuracy, quality and performance) after one, three and six months from the commencement of the Production Phase. These recommendations will be provided as a written report, referring to underlying FAR, FRR and ROC data and any additional relevant data.
- 15.8. Supplier will provide Authority with bug and operational problem fixes and workarounds as follows:
 - 15.8.1. Critical Bugs will be fixed, or stable workarounds will be provided - within twenty four hours. In case of workaround, Supplier will provide a permanent fix within fourteen days.
 - 15.8.2. Non-Critical Bugs will be fixed, or stable workarounds will be provided within seven days. In case of a workaround, Supplier will provide a permanent fix within twenty one days.
- 16. **Modifications and Development Services**
 - 16.1. Supplier will provide Authority with modifications and development services ("**M&D**") upon its request.

- 16.2. Supplier will submit, within fourteen days from Authority's request, a detailed proposal for performing the requested M&D. The proposal shall include:
 - 16.2.1. A detailed technical (and operational, if applicable) description of the proposed M&D;
 - 16.2.2. Implication of requested M&D on System functionality and operation; and on other System components.
 - 16.2.3. Proposed GUI, Screenshots and messages, if applicable.
 - 16.2.4. Time schedule for performing the M&D.
 - 16.2.5. The estimated number of hours required for performing the M&D, with a detailed breakdown regarding stages and components.
 - 16.2.6. The proposed price for hardware components or third party software components required for the M&D.
 - 16.2.7. Actions that Authority must take for implementing the M&D, including any infrastructure changes (for each environment).
 - 16.2.8. Any potential risks on system performance and accuracy upon implementation of the M&D.
 - 16.2.9. A list of all the parts of the proposed M&D that will be specifically developed in order to perform the requested M&D.
- 16.3. Authority may demand changes in schedule or number of hours required for performing the M&D. In addition, Authority may request Supplier to propose a different solution.
- 16.4. If parties are unable to reach an agreement regarding the schedule or number of hours required, Purchaser may address an IT/technology expert who is mutually agreed between the parties (in this section – "**Consultant**"), to decide as to the issue in dispute.
- 16.5. The Consultant shall be an Israeli resident, with at least five years experience in biometrics, and familiar with biometric matching technologies and systems.
- 16.6. If parties are unable to achieve an agreement as to the identity of the Consultant, the decision of head of Israeli Information Technology Association ("ILA") will determine.

- 16.7. The Consultant 's decisions will bind the parties, will be final and may not be appealed. Nevertheless, Purchaser may decide, after receiving Consultant's decision, not to conduct the M&D through Supplier, or at all.
- 16.8. Sections 16.4-16.7 shall be valid subject to required approvals in the Government.
- 16.9. Consultant's fee will be paid by both parties in equal parts.
- 16.10. Supplier will perform M&D only after receiving Authority's written approval for the proposed M&D ("**Approved M&D Plan**") and shall furnish Authority with all relevant documentation.
- 16.11. Supplier will perform the M&D according to the Approved M&D Plan. Supplier shall not deviate from the Approved M&D Plan without Authority's approval.
- 16.12. No payment shall be made in respect of preparation of a proposal for M&D or any action taken by Supplier prior to Authority's approval. Only M&D Hours that are approved as part of the Approved M&D Plan shall entitle Supplier to payment.
- 16.13. Terms of sections 10 - 13 shall apply, mutatis mutandis on approved M&D.
- 16.14. Authority may purchase hardware components that are required for the M&D from vendors other than the Supplier. In this case, the proposed price for these components shall be deducted from the M&D price.
- 16.15. Authority shall pay for M&D as stipulated in section 34.4.
- 16.16. The New Unique Record Price includes two Workflow M&Ds. Terms of sections 16.1-16.13 shall apply to the Workflow M&Ds that are included in the New Unique Record Price, mutatis mutandis.
17. **Clustering the Database**
 - 17.1. Supplier will provide Purchaser, upon its written demand and according to the terms of this section 17, with a Test Clustering System.
 - 17.2. Supplier will perform all actions that are necessary for providing the Test Clustering System or will train Purchaser to perform these actions, as per Purchaser's request.

- 17.2.1. Without derogating from the generality of the above, Supplier will furnish Authority with all required licenses to allow irrevocable and unlimited rights of use of the Test Clustering System. **These licenses shall be limited for twelve months**, will be unlimited in purpose (except for commercial purpose), and will include the right to modify, reproduce, deliver to a third party for receipt of service and to take any action which the Purchaser deems appropriate in the Test Clustering System and ancillary products throughout the duration of the licenses.
- 17.2.2. Supplier will furnish Authority with unlimited licenses to use the documentation supplied to Authority under section 17.5.2.
- 17.3. Supplier will provide a detailed technical proposal and implementation and transition plan within one month from Purchaser's demand according to section 17.1.
- 17.4. Supplier shall provide Purchaser with detailed design of the Test Clustering System within one month from the date of approval, and will implement and test this system within no more than three months from date of approval.
- 17.5. Supplier shall provide Purchaser, at no additional cost, with all of the following:
 - 17.5.1. Professional guidance and support for the Test Clustering System as stipulated in sections 19.2 and 19.3;
 - 17.5.2. All relevant documentation, including installation and training documentation.
 - 17.5.3. The services stipulated in sections 15.4, 15.5, 15.7 and 15.8.
- 17.6. Purchaser will pay Supplier for Test Clustering System as stipulated in section 34.5 below.
- 17.7. Provisions of section 18.1 shall apply on delay in providing the Test Clustering System.
- 17.8. Upon Authority's demand, Supplier will perform all actions necessary for clustering the biometric database of the System, as described in the

Technical Requirements. This shall be done as M&D, and provisions of section 16 shall apply.

18. **Achievement of Milestones and System Performance**

- 18.1. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of five hundred USD for each day of delay in transition from Setup Phase to Production Phase or approval of a Stage, and two hundred USD for each day of delay in achievement of M&D. Nevertheless, any delay of Supplier that arises from a delay in a task assigned to the Authority shall not be deemed as a delay.
- 18.2. Supplier will pay Authority, upon Authority's demand, liquidated damages for each day throughout the Ongoing Production Stage in which the total amount of **False Duplicate Alerts** of the System for this day exceeds the System's FAR according to the Proposal ("**False Alert Event**"), as follows:
 - 18.2.1. If three or more False Alert Events have occurred during thirty consecutive days, Supplier shall pay three hundred USD for each False Alert Event.
 - 18.2.2. If six or more False Alert Events have occurred during six consecutive months, Supplier shall pay five hundred USD for each False Alert Event.
- 18.3. In addition to compensation according to section 18.2.1, Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of five hundred USD for each day throughout the Ongoing Production Stage in which False Alert Events exceed two percent (2%) of the daily queries ("**Critical False Alert Event**").
- 18.4. In addition to the above, Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of one thousand USD for each day throughout the Ongoing Production Stage in which False Alert Events exceed four percent (4%) of the daily queries ("**Erratic False Alert Event**").
- 18.5. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of five hundred USD for each day of the Production Phase in which False Non-Match Rate (FNMR) measured in

the System exceeds the System's FNMR according to the Proposal ("**False Non-match Event**") until such time as the issue is resolved.

18.5.1.1. For each day and case in which measured FNMR is above three percent (3%), compensation will be seven hundred USD.

18.6. Supplier shall conduct all actions stipulated in sections 15.4 and 15.5 in order to resolve problems in System performance and accuracy, and will report to Purchaser in writing all conclusions and actions taken, within the timeframes stipulated herein:

18.6.1. Upon occurrence of 18.2.1, 18.2.2 or a Critical False Alert Event - within seven days of Authority's demand.

18.6.2. Upon occurrence of Erratic False Alert Event or False Non-match Event - within two days of Authority's demand.

18.7. The liquidated damages due to Critical False Alert Events or Erratic False Alert Events that will occur within less than six months from a previous Critical False Alert Event shall be doubled.

18.8. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of one thousand USD for each downtime of the System that exceeds four hours ("**Downtime Event**"), and an additional three hundred USD per each hour beyond the first five hours.

18.9. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of two hundred UDS for each downtime of the System, if more than twelve downtimes of the System have occurred during the twelve consecutive months (including downtime due to maintenance procedures), starting from the thirteenth downtime.

18.10. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of two hundred USD for each downtime hour of the System, if the System downtime (including downtime due to maintenance procedures) is inconsistent with the availability requirement stipulated in the Technical Requirements during twelve consecutive months, starting from the first hour of downtime to violate the foregoing requirement.

18.11. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of two hundred USD for each hour of delay in

repairing a Critical Bug or providing a stable workaround for it. In addition, if a Critical Bug is not fixed, or a stable workaround is not provided within thirty six hours, liquidated damages paid will be four hundred USD for each hour of delay beyond the first thirty six hours.

18.12. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of two hundred USD for each day of delay in repairing a Non-critical Bug or providing a stable workaround for it.

18.13. Supplier will pay Authority, upon Authority's demand, liquidated damages in the amount of two hundred USD for each day of delay in providing a permanent fix (after supplying a workaround) for a Critical Bug or a Non-critical Bug.

18.14. Supplier will pay Authority, upon Authority's demand, liquidated damages in the event that the System has not completed the processing of a Batch of no more than five thousand records within the System's Batch Processing Response Time (according to the Proposal), as follows:

18.14.1. For each fifteen minutes of delay beyond the BPRT compensation will be fifty USD (accumulative).

18.14.2. In addition to the above, if three or more events of such delay have occurred during thirty consecutive days, Supplier shall pay one hundred USD for each fifteen minutes of delay (starting from the first occurrence of delay).

18.15. The following constitutes a fundamental breach of this Agreement:

18.15.1. Failure of Supplier to correct the problems in the System as required in section 18.6.

18.15.2. More than six False Alert Events have occurred during thirty consecutive days.

18.15.3. More than three Critical False Alert Events have occurred during thirty consecutive days.

18.15.4. More than twelve False Alert Events have occurred during twelve consecutive months.

18.15.5. More than six Critical False Alert Events have occurred during twelve consecutive months.

- 18.15.6. A Downtime Event has exceeded eight hours.
- 18.15.7. More than sixteen Downtime Events have occurred during twelve consecutive months.
- 18.15.8. More than six Downtime Events that exceed six hours have occurred during twelve consecutive months.
- 18.15.9. More than eighteen downtimes of the System have occurred during twelve consecutive months (including downtime due to maintenance procedures).
- 18.15.10. The occurrence of 18.14 more than three times in thirty consecutive days.
- 18.15.11. Without derogating the generality of section 38.2.3 below, in the instance of failure of the System to comply with one or more of the requirements stipulated in the Technical Requirements, that are not expressly stated within this section, the non-compliance shall constitute a fundamental breach if the Supplier shall not align the System with the Technical Requirements within fourteen days from Authority's written demand.
- 18.16. It is hereby clarified that the liquidated damages set forth in this section are accumulative, and Authority may demand Supplier to pay liquidated damages according to several provisions of this section (potentially inclusive).
- 18.17. The liquidated damages set forth in this section may be offset in accordance with section 36.
- 18.18. Sections 18.2-18.7 and 18.15.1-18.15.5 will not apply if Purchaser has set the system thresholds in a manner that is incompliant with Recommended Thresholds and that Supplier has not approved these thresholds, unless it is clearly evident that the Thresholds set by Purchaser were not the cause for the faults.

19. **Training and Professional Guidance**

- 19.1. Supplier will provide Purchaser with professional guidance, support and professional training as required by Authority.
- 19.2. Without derogating from the generality of the above, Supplier will provide professional guidance, support and professional training by e-mail or telephone, as per Purchaser's request, at no additional cost.
- 19.3. During Setup Phase and Initial Production Stage, Supplier will provide the services stipulated in section 19.1 above without additional cost. Without derogating from generality of the above, Supplier shall provide Purchaser with support, training and professional guidance as per Purchaser's request at Authority's Site, without additional cost and will pay for all of its expenses (including flights and accommodation).
- 19.4. In case extra support or training is required by Purchaser during Ongoing Production Stage, beyond the support contemplated by section 19.2 or any of Supplier's obligations under this Contract (including section 15 above) or the training provided within the Training Stage, the Authority will pay Supplier as stipulated in section 34 below.
- 19.5. During Ongoing Production Stage, Purchaser will send fourteen days advance written notice to Supplier regarding the requested on-site visit dates; a visit by Supplier without a request from Purchaser or without prior and written approval from Purchaser will not entitle Supplier to any payment.
- 19.6. Supplier undertakes to provide support and guidance at the Purchaser's facilities on the dates fixed by Purchaser.
- 19.7. Supplier is responsible for coordinating a visit pursuant to notice given by Purchaser in accordance with section 19.5 (including flights, accommodations, and security arrangements, as stipulated in section 21).

20. **Supplier Representative and Project Management**

- 20.1. Supplier undertakes to appoint a representative from among its employees, managers or proprietors as the individual responsible for all interaction with the Authority regarding all matters relating to and inherent in the execution of this Agreement ("**Supplier's Representative**")
- 20.2. Upon the signing of the Agreement, Supplier will notify Authority of the name and contact information of Supplier's Representative and will inform Authority of his replacement or termination of his service immediately, upon any change in status.
- 20.3. Supplier will appoint a project manger which is a Key Employee ("**Project Manager**").
- 20.4. Purchaser will be allowed to interview Project Manager appointed by Supplier, in order to obtain a reasonable impression of the Manager's background, experience and qualifications.
- 20.5. At any point in time, if the Project Manager, Supplier Representative or any employee of the Supplier who has been assigned by Supplier to this project, does not perform in-line with professional expectations of Purchaser, Purchaser will be allowed to request replacement of Project Manager, Supplier's Representative or employee with an alternative qualified professional. Supplier will comply with said request within a reasonable timeframe, and no more than four weeks, or seven days, if the request is to replace an employee who is not the Project Manager or Supplier's Representative.
- 20.6. Project Management
 - 20.6.1. Supplier and Purchaser shall conduct during the Setup Phase, project reviews, and progress and coordination meetings:
 - 20.6.1.1. These meetings will take place in Israel on a bi-weekly basis;
 - 20.6.1.2. Supplier will present detailed project progress; tracking actual versus projected timelines, milestones and deliverables; as well as any issues or problems.

20.6.1.3. Supplier shall furnish Purchaser with a detailed written report describing the above, at least 3 days in advance of the meeting.

Supplier and Purchaser shall conduct every other week (one week following review meetings) during Setup Phase, phone progress conference calls which will include brief progress updates and coordination discussions. In addition, any relevant pending issues may be raised.

20.6.2. During the Initial Production Stage, Supplier and Purchaser shall conduct project reviews, and progress and coordination meetings in Israel on a three-weekly basis until such time as Purchaser will decide that such reports and meetings are no longer necessary.

20.6.3. All correspondence between Purchaser and Supplier, and all written documents provided under this agreement shall be in English, unless mutually agreed otherwise.

21. **Security Clearance**

21.1. Supplier represents that it is aware that the System is classified, and agrees that access for its staff and its subcontractor's staff (in this section – "**Service Staff**") to the System must be authorized in advance by the Authority's Information Security Officer.

21.2. Supplier will furnish Purchaser with a security clearance form, according to Purchaser's instructions, for each of the members of the Service Staff, including a photocopy of their passport data page within ten days from Authority's written demand.

21.3. Purchaser may, for security reasons, reject any member of the Service Staff, without explanation or reason, and such decision shall be final.

21.4. The Authority's security officer retains sole discretion with respect to security related guidelines and Supplier undertakes to follow these guidelines.

21.5. Supplier will replace a Service Staff member that has not been authorized by Authority due to security reasons within seven days.

- 21.6. Supplier shall not employ for the purpose of performing this Agreement, any Service Staff member who has been employed by the Supplier or by its subcontractors in a country which does not have diplomatic relations with the State of Israel; Supplier's Key Employees who will participate in performing this Agreement, shall not be employed, throughout the duration of this agreement, in a country which does not have diplomatic relations with the State of Israel, without written approval from the Purchaser.
- 21.7. Supplier will send, in advance, the names of its staff scheduled to be sent to Purchaser's facilities and a photocopy of their passport data page; Purchaser may, for security reasons, reject any member of the Service Staff, without explanation or reason, and such decision shall be final.
- 21.8. Supplier shall not employ in performing this Agreement, any Service Staff member who is employed by the Supplier or its subcontractors in maintaining PIBA's "Aviv" system, or in developing or maintaining any system that will replace the "Aviv" system in the future.

22. **Proprietary Rights**

- 22.1. Supplier undertakes to perform all its obligations under this Agreement and by law so that all System components, software, concepts and policies and any service Supplier will provide, will not be of such nature as might give rise to a claim against Supplier or against Authority due to infringement of copyrights, patents, trade secrets or any other right of a third party.
- 22.2. Without derogating from generality of the foregoing, Supplier represents that it is the owner, or licensed user and distributor of all the rights (including intellectual property rights) to the tools, methods, hardware and software components and products that are used in the performance of this Contract.
- 22.3. Under no circumstances shall the Purchaser bear any costs for a breach of the foregoing. Any claim against the Authority concerning such matters shall be forwarded to the Supplier, which will bear all expenses and consequences arising from it.

- 22.4. Supplier undertakes to agree to become a third party in any litigation initiated against Purchaser for infringement of copyrights, patents, trade secrets or any other right, and commits to reimburse Purchaser for any sums it is charged for said breach and for all damages that Authority will bear.
- 22.5. It is hereby agreed that all of the following are in the exclusive ownership of the Government ("**Purchaser's IP**"):
- 22.5.1. Any invention, patent or any intellectual or tangible property conceived or created in the course of fulfilling Supplier's obligations under this Agreement.
- 22.5.2. Any part of the System designed or developed for the Authority under this Agreement and its relevant documentation, including, but not limited to: design documents, M&Ds, the Test Clustering System, clustering of the biometric database of the System and any development of workflows according to Authority's request (including customization of the workflow of the System to the Key Workflow).
- 22.5.3. Any information, document, plan, photograph, concept or drawing created, developed, designed, or produced in the course of fulfilling Supplier's obligations under this Agreement or in connection with it ("**Purchaser's Information**").
- 22.6. Supplier will not use Purchaser's IP in any way, without receiving its written approval in advance. This approval may be conditioned on payments by Supplier to Authority or to anyone Authority will instruct the Supplier.
- 22.7. It is hereby clarified that Authority may use, distribute or sell Purchaser's IP, in whole or in part, or exercise its rights in Purchaser's IP in any other way it sees fit, including selling of such rights to third parties, without the need to obtain Supplier's consent.
- 22.8. It is hereby agreed that nothing in this section shall derogate from any intellectual property right relating to the System (including M&Ds) owned by Supplier or anyone on its behalf prior to performance of this Agreement nor from any intellectual property right which comes into

Supplier's possession other than in connection with this Agreement ("Supplier's IP").

23. **Source Code**

23.1. Supplier shall furnish Authority with a copy of the source code and respective detailed documentation (including in-source documentation) of any part or component of the System that is Purchaser's IP, during Pre-production Phase or after the approval of M&D. All such source code will be the exclusive property of the Purchaser.

23.2. A copy of the System source code (including detailed documentation) and of any of its parts and of any component included in it which is essential for operation of the system, which is Supplier's IP, shall be deposited in escrow with an attorney - a trustee of the Supplier - who is also acceptable to the Authority . Documentation will also include all instructions required for creating a fully executable copy of the System software, that is required for operation

23.2.1. Supplier will notify Authority during Customization Stage as to the identity of its proposed Trustee.

23.2.2. Authority will notify Supplier whether it approves the Trustee during Test Stage.

23.2.3. Supplier will furnish Authority with an escrow agreement for its signature, within fourteen days from Authority's approval of the Trustee.

23.3. An agreement relating to Source Code escrow shall be signed between the Supplier, the trustee, and the Authority and shall be in the form attached to this Agreement as Schedule 8.

23.3.1. The form of escrow agreement attached as Schedule 8 constitutes an outline of the binding conditions from the standpoint of the Authority. These may be supplemented or amended, provided that such modifications do not derogate from the rights of the Authority defined in the format set forth in Schedule 8 or in the conditions contained in the body of the Agreement. Any change will be done only after receiving Authority's approval in writing.

- 23.4. Delivery of the source code to the Authority, in accordance with the abovementioned escrow agreement, shall not confer on the Authority any proprietary rights to such code or rights embodied in it. The purpose of such deposit and delivery of the source code to the Authority is to facilitate the continuous regular operation of the System.
- 23.5. Purchaser will demand the trustee to deliver documentation included in Schedule 8 only after sending Supplier ten days prior notice in order to allow Supplier to make a written claim before Purchaser's Representative.

24. **Information and Copyrights**

- 24.1. Without derogating from the generality of sections 22.5-22.7, Purchaser's Information belongs solely to Purchaser and is held in trust by Supplier for Purchaser; Purchaser can make use of Purchaser's Information as it so desires, within the limitations of the law.
- 24.2. Supplier shall not possess any proprietary right, copyright, commercial or economic development rights or any other rights to Purchaser's Information.
- 24.3. Supplier will not use Purchaser's Information for any purpose other than for the performance of Supplier's undertakings pursuant to this Agreement, except with prior written permission from Purchaser's Representative.
- 24.4. Upon expiration of the contractual relationship or pursuant to a direct written request of Purchaser, Supplier will transfer Purchaser's Information in its possession to Purchaser, or to whom Purchaser explicitly instructs in writing to do so, and Supplier shall not retain a copy, backup or sections of this information, other than upon prior written authorization from Purchaser's representative to do so.
- 24.5. Upon completing the aforementioned transfer of Purchaser's Information, Supplier will deliver a signed affidavit to Purchaser, by which it declares that all Purchaser's Information in its possession or in the possession of its employees or subcontractors was delivered to Purchaser and that no Purchaser's Information has been retained by Supplier, Supplier's employees or subcontractors.

- 24.6. Supplier must store Purchaser's Information in a secure manner (that is no less than the security measures it uses to store its own confidential information), and must refrain from transmitting it or any part thereof to any party not involved in the execution of this Agreement, except upon prior, express written authorization from Purchaser.
- 24.7. Supplier shall notify Purchaser immediately and in writing, of any compromise of the security of Purchaser's information. In addition, Supplier shall notify Purchaser immediately and in writing and will continuously update Purchaser in detail, upon the occurrence of any security incident, including:
- 24.7.1. Loss of Purchaser's Information or any part thereof;
- 24.7.2. Burglary at Supplier's facilities which may, in any way, affect Purchaser;
- 24.7.3. Any leak of information.
- 24.8. Supplier hereby grants to Purchaser a worldwide, non-exclusive, perpetual, irrevocable, royalty-free license to use or modify (for all purposes) information that it has provided to Authority under this Agreement, and which was previously owned by Supplier or that Supplier is licensed, by a third party, to use in relation to this Agreement.

25. **Confidentiality**

- 25.1. Supplier undertakes to keep confidential and not convey, or bring to the attention of any individual or to any third party, Purchaser's Information and any information or document that it obtains as a result of or in relation to the execution of this Agreement or during, prior or subsequent thereto, all in accordance with the confidentiality undertaking appended as Schedule 9 of this Agreement.
- 25.2. Supplier's signature, the Supplier Representative's signature and the subcontractor's signatures on the undertakings of confidentiality appended as Schedules 9 and 10 of this Agreement are a precondition to the validity of this Agreement.

26. **Conflict of Interests**

- 26.1. Supplier undertakes to refrain from any conflict of interests while providing the services according to this Agreement.
- 26.2. Supplier shall immediately inform Authority of any matter that may place it, its controlling shareholder or its authorized signatories, in a conflict of interests.

27. **Renewing Certifications and Licenses and Regulations Compliance**

- 27.1. Supplier must maintain and renew all certifications and licenses, upon which the awarding of the Tender was contingent or which constituted a basis for the evaluation of its Proposal, so that they remain in effect for the entire term of the Agreement. Failure to maintain or renew a certification or license constitutes a fundamental breach of the Agreement.
- 27.2. Supplier undertakes to comply with all laws and regulations that were prerequisites for being awarded the Tender or which constituted the basis for the evaluation of its Proposal. Failure to comply with said regulations constitutes a fundamental breach of the Agreement.
- 27.3. Supplier will comply with any modifications made to said regulations, law or ICAO standards and will notify Purchaser in writing, of any such change and its implications.

28. **Liability in Torts**

- 28.1. Supplier shall be solely liable for, and shall fully indemnify and hold harmless the Authority or any of its officers, directors and employees against any liability, loss, damage, expense or proceeding whatsoever, that are the result of a defective or negligent execution of its obligations under this Agreement.
- 28.2. Supplier shall be solely liable for any damage of any kind that is caused to its or to its subcontractor's employees, or to any other human being or entity operating on its behalf.
- 28.3. The Supplier shall indemnify Authority for any damage or loss occasioned to it as provided above, as a result of any claim in respect of an act or omission as aforesaid, and in the event that Authority is obliged to pay compensation or any other payment in connection with

such a claim, the Supplier undertakes to pay such sum to Authority itself, upon its first demand, including all the expenses incurred by Authority in connection with such civil or criminal claim, and because of the need to defend itself against the claim.

28.4. The total aggregate Supplier's liability for any loss arising under sections 28.1 and 28.3 shall in no event exceed the value of fifty percent (50%) of two million records or the value of fifty percent (50%) of the actual number of records purchased by Purchaser, whichever is higher.

29. **Insurance**

Supplier undertakes to purchase all of the insurance policies listed herein from an insurance carrier **in its favor and in favor of the State of Israel – Ministry of the Interior - The Biometric Database Management Authority** - and to present the policies to Purchaser with all of the coverage and terms required with the following limits of liability:

29.1. Combined product liability and professional indemnity policy for the software and hardware industry OR Electronic Products and Services Errors or Omissions and Products Liability Insurance - Supplier will insure its liability with all regards to planning, designing, development, setup, installation, transfer to production environment, training, adjustment, maintenance and support of a biometric matching system pursuant to the agreement with the State of Israel – The Biometric Database Management Authority, under a combined product liability and professional indemnity insurance policy.

29.1.1. The policy will cover the liability of the Supplier, its employees, and anyone acting on its behalf –

29.1.1.1. Concerning any professional act or omission – coverage in respect of breach of professional duty, error or omission, negligence or neglect;

29.1.1.2. Liability for any product defect – coverage in respect of damage caused, connected to products manufactured, developed, updated or upgraded, assembled, repaired, delivered, sold, distributed,

or otherwise handled by the Supplier or any person acting on its behalf;

29.1.1.3. Any actions of the Supplier, its employees and any person acting on its behalf, including development, installation, and maintenance of the biometric matching system.

29.1.2. Limit of liability per event and per year shall not be less than two million five hundred thousand USD;

29.1.3. Extension of disclosure period – at least twelve months;

29.1.4. Cross Liability;

29.1.5. The policy will be expanded to indemnify the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, inasmuch as they shall be considered responsible for the act or omissions of Supplier or anyone acting on its behalf.

29.2. The policy as set above shall include the following provisions:

29.2.1. The coverage will be expanded to cover the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, in addition to the name of the insured (in addition to the expansion set forth in 29.1.5 above).

29.2.2. The reduction or cancellation of coverage by Supplier shall not be valid unless at least sixty days prior notice is sent by registered letter to the Comptroller of the Ministry of Interior, a copy thereof has also been sent to the Purchaser representative.

29.2.3. The insurer waives all rights to subrogation, claim, participation or reimbursement against the State of Israel – Ministry of the Interior - The Biometric Database Management Authority and its employees, provided that the waiver does not act to favor any person who has caused damage with malice.

29.2.4. Supplier is solely responsible for the payment of premiums for the policies, and to satisfy all of the duties imposed on the policy holder according to the terms of the policy.

- 29.2.5. Supplier is solely responsible for the deductible in each policy.
- 29.2.6. Any clause in the insurance policy that nullifies or in any way reduces the liability of the carrier due to the existence of another policy, shall not be effected against the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, and the policy will be considered as the primary policy entitled to all the rights under the terms of the policy.
- 29.3. Copies of the policy certified by the insurance carrier or a certificate of insurance, as set forth in schedule 11, signed by the insurance carrier regarding the activation of the aforementioned insurances will be provided to the State of Israel – Ministry of the interior – Biometric Database Management Authority prior to the signing of the Agreement.
- 29.4. Supplier undertakes that for the entire contractual period with the State of Israel – Ministry of the Interior - The Biometric Database Management Authority and for as long as it is liable, to keep the insurance policy current. Supplier undertakes to renew the policy on an annual basis as long as the contract with the State of Israel – Ministry of the Interior – Biometric Database Management Authority remains in effect. Supplier undertakes to present copies of the renewed policy certified and signed by the insurance carrier or a certificate of insurance attesting to their renewal signed by the carrier, to the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, no later than **two weeks before** the policy is due to expire.
- 29.5. The provisions of this section 29 shall not be construed as exempting Supplier from any duty applicable to it by law and the aforesaid shall not be construed as a waiver by the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, of any right or remedy available to it by law and the provisions of this contract.
30. **Assignment**
- 30.1. Supplier may not endorse, encumber or mortgage its rights or duties pursuant to this Agreement to a third party unless it receives prior written permission from Authority to do so.

- 30.2. An endorsement, encumbrance or mortgage, if made without Authority's authorization, shall not be binding, and will constitute a fundamental breach of the Agreement. Authority will not honor said assignments nor make any payments for products provided in this manner.
- 30.3. Authority may endorse its rights pursuant to this Agreement to a third party.

31. **Subcontractors**

- 31.1. Notwithstanding the provisions set forth in section 30, Supplier may, in order to meet its commitments pursuant to the terms of this Agreement, contract with the subcontractors listed in its Proposal. Nonetheless, Supplier may not contract with subcontractors who are not listed in its Proposal without advance written permission from Authority, as stated in section 30.
- 31.2. Supplier hereby represents that there are no provisions in the agreements between Supplier and its subcontractors, directly or indirectly, that would prevent or hinder them to supply components or services directly to Authority or to another body acting on Authority's behalf.
- 31.3. The use of subcontractors does not derogate from the obligations of Supplier or from its exclusive responsibility to Authority; failure of a subcontractor to meet its obligations shall not absolve Supplier from its undertakings under this Agreement.

32. **Performance Bond**

- 32.1. To secure all of its obligations pursuant to this Agreement, Supplier undertakes to deposit with the Authority Representative, prior to the signing of this Agreement, an unconditional bank/insurance bond, in favor of the Authority, in the amount of **two hundred and fifty thousand USD**, which shall be valid from the day it is provided until two months after the termination of the Agreement ("**Initial Performance Bond**").
- 32.2. The text of the Initial Performance Bond shall be as set forth in Schedule 12 of the Agreement.
- 32.3. This Agreement shall not enter into effect until delivery of the Initial Performance Bond to the Authority.

- 32.4. Supplier shall be entitled to replace the Initial Performance Bond with a performance bond which is, excluding the amount of the bond, identical to the Initial Performance Bond, as follows:
- 32.4.1. On the commencement of the Ongoing Production Stage – a bond in the amount of one hundred and fifty thousand USD.
- 32.4.2. Following a year from the commencement of the Ongoing Production Stage – a bond in the amount of one hundred thousand USD.
- 32.5. An extension of the contractual period, beyond the Initial Contractual Term, shall be contingent upon the extension of the performance bond so that it covers the additional period (the bond shall be in the same amount as the bond held by the Authority). Failure to extend the performance bond for the additional term shall constitute a fundamental breach of the Agreement creating grounds for forfeiture of the bond.
- 32.6. Authority will be entitled to forfeit the performance bond, in whole or in part, as liquidated damages, if Supplier breaches any of the terms of the Agreement, after sending prior fourteen day notice to rectify the breach and to allow Supplier to make a written claim before its representative.
- 32.7. The amount of the performance bond constitutes a reasonable estimate of the projected damage to Authority should it be required to terminate the Contract with Supplier as a result of said breach.
- 32.8. The forfeiture of the bond shall not prevent Authority from filing a lawsuit against Supplier for the full cost of its damages in the event that said damages exceed the value of the forfeited bond.
- 32.9. Upon partial or complete forfeiture of the bond, Supplier will deposit a new guarantee with Purchaser, in the language set forth in Schedule 12 of the Agreement, to supplement the amount of the bond so that it will equal the amount of the **Initial Performance Bond**.
- 32.10. To dispel any doubt, the forfeiture of the bond shall not release Supplier from full satisfaction of its commitments pursuant to the Agreement, and in accordance with its Proposal.

33. **Undertakings of the Authority**

- 33.1. Authority will pay Supplier the consideration for the performance of this Agreements as contemplated by section 34.
- 33.2. Authority will buy during the Initial Contractual Term at least two million New Unique Records, except in the following instances:
- 33.2.1. The Agreement has been terminated due to a fundamental breach of the Agreement by the Supplier;
- 33.2.2. It has been decided, at the end of Pilot Period of **two years**, not to continue to operate the Biometric Database at all or in its current manner.
- 33.2.3. It has been decided, at the end of Pilot Period of **four years**, not to continue to operate the Biometric Database at all or in its current manner. In this case Authority shall purchase New Unique Records so that the total number of New Unique Records purchased during the period of Agreement will be at least eight hundred thousand.
- 33.3. Authority may use New Unique Records it has purchased regardless of the whether this Agreement has been terminated or extended; or whether biometric data or Unique Identifier was assigned to these New Unique Records, and without any limitation that is not stipulated in this Agreement. Without derogating from the generality of the foregoing, Authority may use New Unique Records it has purchased during the Initial Contractual Term, during any extension of this Agreement.
- 33.4. Authority is not obliged to purchase the Test Clustering System, M&Ds or additional professional guidance.

34. **Consideration**

- 34.1. Consideration to be paid by the Authority for the performance of the Agreement is as stipulated in this section 34.
- 34.2. **New Unique Record**
- 34.2.1. Authority shall pay Supplier _____ USD for each New Unique Record of first two million New Unique Records.
- 34.2.2. Price for each additional New Unique Record (beyond the first two million New Unique Records) will be reduced by fifteen

percent (15%), therefore – price per record for each additional New Unique Record will be _____USD.

34.2.3. Price of New Unique Record includes:

34.2.3.1. The System.

34.2.3.2. All required software licenses for four environments (test, staging, production and DRP site), **without the Database Licenses.**

34.2.3.3. Professional support by electronic mail or by telephone (per the Purchaser's request) throughout the duration of the Agreement.

34.2.3.4. Complete professional training and support throughout the Setup Phase and Initial Production Stage.

34.2.3.5. Tuning and optimization.

34.2.3.6. Software updates and upgrades throughout the duration of the Agreement.

34.2.3.7. Bug fixes or workarounds throughout the duration of the Agreement.

34.2.3.8. System Documentation.

34.2.3.9. API and API documentation.

34.2.3.10. Two M&D Workflows.

34.2.3.11. All costs (direct and indirect) incurred in the shipping of COTS hardware, software, documentation or other components, from Supplier's facility to Authority Site, including all taxes and levies (any taxes at country of origin, import taxes, duties, purchase tax, etc.), shipping costs, storage (until delivery to the Authority Site) and release from the port, shipping and storage in Israel (not by Purchaser), bonds and various insurance policies.

- 34.2.3.12. All of the undertakings of the Supplier as stipulated in this Agreement, unless expressly provided otherwise.
- 34.2.4. Supplier shall not be entitled to payment for erroneous records and records of people that have previously enrolled to the System.
- 34.2.5. Supplier shall be entitled to payment for New Unique Records uploaded to the System from the Interim System.
- 34.2.6. Authority shall notify Supplier as to the number of New Unique Records that have been added to the System, on a semi-annual basis: in each August (relating to the first half year) and February (relating to the second half year).
- 34.2.7. Supplier shall furnish Authority with an invoice detailing the number of New Unique Records added to the System in the relevant period.
- 34.2.8. Authority shall pay for New Unique Records within twenty four to forty five days of receipt of foregoing invoice at the Ministry of Interior ("**Ministry**"), subject to approval by Authority's Representative that the details in the invoice are correct and that Supplier has provided all its obligations according to this Agreement.
- 34.3. Professional Training and Support
- 34.3.1. Authority will pay Supplier for professional training and support that are not included in the services set forth in section 19 19.2 or in any of the Supplier's undertakings under this Agreement (including section 15 above), and are required by Purchaser during Ongoing Production Stage, as follows:
- 34.3.1.1. One thousand USD for each day of training and support (actual working days) required;
- 34.3.1.2. One thousand USD, as a lump sum for each visit to Israel for support or training at Authority's Site (including hotels, flights, per diem and all travel expenses). If a visit will extend more than five working days due to Purchaser's specific request,

Purchaser will pay Supplier additional two hundred USD for each work day beyond the first five working days of the visit.

- 34.3.2. Supplier shall issue an invoice, which will detail the requested payments.
- 34.3.3. Authority shall pay for Professional Training and Support within twenty four to forty five days of receipt of an invoice at the Ministry, subject to approval by Authority's Representative that the details in the invoice are correct and that Supplier has provided all its obligations according to this Agreement.

34.4. M&D

- 34.4.1. Authority will pay Supplier ___ USD for each M&D hour. The total price of an Approved M&D shall be the multiplication of number of M&D hours performed by Supplier and the price per hour.
- 34.4.2. Authority shall not pay for M&D hours beyond the hours specified in the Approved M&D Plan, if the deviation from the Approved M&D Plan was not authorized in advance and in writing by Authority.
- 34.4.3. Payment for M&D shall be done in two payments, as follows:
 - 34.4.3.1. First payment of twenty five percent of the total price of the M&D will be made thirty days following the approval of the M&D as having been tested and fully functional in production.
 - 34.4.3.2. Second payment of seventy five percent of the total price of the M&D will be made sixty days following the approval of the M&D as having been tested and fully functional in production.
- 34.4.4. Supplier shall issue an invoice, which will detail the requested payments.
- 34.4.5. Authority shall pay for an M&D within twenty four to forty five days of receipt of an invoice at the Ministry, subject to approval by Authority's Representative that the details in the

invoice are correct and that Supplier has provided all its obligations according to this Agreement.

34.5. Test Clustering System

- 34.5.1. Authority will pay Supplier for the supply of Test Clustering System (including the COTS hardware and software licenses required, according to the Proposal, for this system) and all the services stipulated in sections 17.1-17.7 _____ USD.
- 34.5.2. The price stated in section 34.5.1 is independent of the number of records included in the Test Clustering System.
- 34.5.3. Price of COTS hardware or software licenses that are included in the Test Clustering System and which will not be supplied by the Supplier shall be deducted from the price stipulated in section 34.5.1 above. The price of such components shall be determined based on the prices set forth in the Proposal (if applicable).
- 34.5.4. Payment for Test Clustering System will be done in two equal payments, as follows:
 - 34.5.4.1. First payment will be made thirty days following the approval of the Test Clustering System as having been tested and fully functional in production.
 - 34.5.4.2. Second payment will be made three months following the approval of the Test Clustering System as having been tested and fully functional in production.
- 34.5.5. Supplier shall issue an invoice, which will detail the requested payments.
- 34.5.6. Authority shall pay for the Test Clustering System within twenty four to forty five days of receipt of an invoice at the Ministry, subject to approval by Authority's Representative that the details in the invoice are correct and that Supplier has provided all its obligations according to this Agreement.

34.6. COTS Hardware and Database Licenses

- 34.6.1. Payment for COTS hardware and Database licenses supplied by the Supplier shall be made within forty five days from the receipt of the COTS hardware or Database licenses at Authority's Site.
- 34.6.2. Supplier shall issue an invoice, which will detail the requested payments.
- 34.6.3. Authority shall pay for COTS hardware and Database licenses within twenty four to forty five days of receipt of an invoice at the Ministry, subject to approval by Authority's Representative that the details in the invoice are correct and that Supplier has provided all its obligations according to this Agreement.

34.7. General

- 34.7.1. All prices stated in this Agreement are exclusive of Israeli VAT, which will be paid directly by the Purchaser to Israeli Tax Authorities.
- 34.7.2. This section 34 constitutes a fundamental section of this Agreement. Nevertheless, a reasonable delay in payments shall not constitute a fundamental breach.
- 34.7.3. Neither Supplier nor its representatives are entitled, under any circumstances, to receive any compensation or benefit directly or indirectly from any third party with regard to the performance of the services contemplated by this agreement. A benefit that is received as aforesaid shall constitute a fundamental breach of this Agreement.
- 34.7.4. Prices stated above shall remain in effect throughout the duration of the Agreement, and will be final and fixed. Prices shall not be linked in any way (no indexation).
- 34.7.5. Supplier will not increase the extent of the work nor institute any other modifications to the provisions written in the agreement and its appendices, unless it obtains prior written authorization to do so from the authorized signatory of the Government, inclusive of the Comptroller of the Ministry. A modification that has not been authorized as set forth above

by the Ministry's signatories, shall become the sole responsibility of the Supplier and shall not entitle Supplier to any further additional payment.

34.7.6. Supplier represents that it has verified the identities of the authorized signatories for purposes of the execution of the agreement and that it is aware that Government will bear no responsibility for any deviation or addition or modification that did not receive their explicit prior written authorization.

34.7.7. Payments shall be remitted in the manner as is customary in the Israel government ministries, in accordance with the guidelines of the Government's Accountant General with respect to the acquisition of goods and services in effect from time to time, and subject to the Budget Law and its regulations.

34.7.8. Supplier shall not be entitled to any other compensation other than the monetary compensation explicitly detailed in this Agreement.

35. **Absence of Employment Relationship**

35.1. The parties stipulate that the relationship between them is that of a purchaser and an independent contractor, and under no circumstance shall this Agreement be construed as creating an employer – employee relationship between Authority and Supplier, Supplier's employees or any one on its behalf.

35.2. Supplier will compensate Authority for any monetary payment, charge or other liability held against Authority, if so held, due to the filing of an employment lawsuit against Authority by any of Supplier's employees or any one on its behalf, immediately upon Authority's demand to do so and upon the presentation of the binding judgment.

35.3. Supplier represents that it has sole responsibility for its employees, and that it alone bears all liability, duty or obligation that an employer has towards its employees, including wages, employers insurance or any type of social benefits.

35.4. Any change in the employment agreement between Supplier and its employees does not concern the Authority and shall not serve as

grounds to modify the Agreement, unless express prior written approval for such modification is given by Authority.

36. **Deductions**

- 36.1. Supplier agrees and hereby declares that Authority shall be entitled to offset compensation it had to pay Supplier pursuant to this Agreement, with any amount Supplier owes to the Authority according to this Agreement, or to any other contract or law.
- 36.2. Notice of the amounts offset by the Authority will be sent to Supplier at the time of offset.
- 36.3. Supplier may protest such offset or claim monies allegedly owed to it, to the Authority representative.
- 36.4. The foregoing protest must be submitted no later than ninety days from receipt of the payment from which the monies were withheld or from the date that notice of the offset is received, as the case warrants.
- 36.5. Failure to protest within the period stated above shall be deemed acquiescence on the part of the Supplier to the offset.

37. **Lien**

- 37.1. Supplier or any one of its behalf shall not have a right of lien in respect to Purchaser or its representatives, including the goods, documents or other assets associated with Supplier's services or which belong to Purchaser or a representative thereof.
- 37.2. The Supplier undertakes to insert a clause into every contract between the Supplier and its subcontractor, by which said subcontractor shall not have a right of lien.

38. **Breach of Agreement, Remedies and Termination of the Agreement**

- 38.1. A breach of this Agreement shall be governed by the Israeli Contracts (Remedies for Breach of Contract) Law, 1970.
- 38.2. Each of the following shall constitute a fundamental breach of this Agreement:
 - 38.2.1. A breach of any of the following sections, which constitute a fundamental breach of this Agreement: 4.8, 5.1 - 5.7, 5.9 - 5.14, 6, 7, 9.2, 9.7, 10.4, 10.8, 11.1 -

11.3, 12, 13.3, 14.2, 14.3, 14.5, 16, 17, 19, 21, 22.1, 22.6, 23.1, 23.2, 24, 25, 27, 28, 29, 30, 32

- 38.2.2. Each of the cases stipulated in section 18.15.
- 38.2.3. A breach of this Agreement which the breaching party has not rectified within the timeframe stipulated in a written notice sent by aggrieved party, and in the absence of any designated timeframe – within fourteen days from when the breaching party is given notice of the breach.
- 38.3. Authority may terminate the Agreement with Supplier prior to the expiration thereof, upon thirty days prior written notice to Supplier, in each of the following instances:
 - 38.3.1. It has been decided, at the end of the Pilot Period, not to continue to operate the Biometric Database at all or in its current manner.
 - 38.3.2. Supplier is in a situation where it cannot continue to operate in an orderly way.
 - 38.3.3. A motion to appoint a trustee, interim liquidator, or receiver is filed against Supplier and it has not been repealed within ninety days of its submission.
 - 38.3.4. A liquidation order or receivership order is issued against Supplier, or an interim liquidator has been appointed for Supplier.
 - 38.3.5. A lien has been placed on Supplier's assets or its rights pursuant to this agreement, in whole or in part, and the lien is not removed within ninety days of its imposition.
 - 38.3.6. Purchaser discovers that Supplier, its controlling shareholder, its subcontractor or the subcontractor's controlling shareholder is a resident of or is incorporated in a country that does not maintain diplomatic relations with the State of Israel or has become one of the above during the course of the contractual period, due to a change in ownership, or due to a change in the definition of a country that does not maintain diplomatic relations with Israel or for any other reason.

- 38.4. Upon termination of the Agreement, Supplier shall:
- 38.4.1. Transfer all items constituting property of the Authority to Authority and will reimburse Authority for any goods or services not provided.
 - 38.4.2. Provide Authority with a fully updated set of System Documentation,
 - 38.4.3. Jointly execute, following Purchaser's request, a test with Purchaser, which will clearly demonstrate to Purchaser its ability to independently and freely use all biometric and other key data in the System.

39. **General**

- 39.1. Without derogating from the provisions of this Agreement, any undertaking in the Proposal shall be deemed part of this Agreement, and shall bind Supplier as if written expressly in the Agreement.
- 39.2. Any deviation by Supplier from the provisions of its Proposal shall be deemed a breach of the Agreement, except upon prior written approval by Authority.
- 39.3. A renouncement of a right conferred upon any party pursuant to this Agreement or by law shall not be effective unless made in writing and signed by the authorized signatory of said party.
- 39.4. The laws of the State of Israel shall govern this Agreement.
- 39.5. It is hereby agreed that this Agreement is subject to the Law, in its updated version. In any case of discrepancy between this Agreement and the terms of the Law, the last shall prevail.
- 39.6. The terms of this Agreement constitute complete and full expression of the rights of the parties, and revoke any agreement, representation, promise or custom that preceded the signing thereof.

40. **Interpretation**

- 40.1. The division of the Agreement and its appendices into sections is done for convenience and orientation sake only, and shall not be ascribed any interpretative meaning whatsoever.
- 40.2. The headings of the sections in this Agreement are provided for convenience only and shall not be used in the interpretation thereof.

- 40.3. Reference made in the singular shall include the plural and vice versa.
- 40.4. The word "include" doesn't convey a restrictive meaning.
- 40.5. The Hierarchy of the Tender and the Agreement –
 - 40.5.1. The Tender and the Agreement constitute one document with complementary parts.
 - 40.5.2. An effort will be made to resolve any contradiction between the text of the Tender and the text of the Agreement.
 - 40.5.3. If the contradiction cannot be resolved, the text of the Agreement shall prevail.
- 40.6. The text of the Agreement shall prevail in any instance of a contradiction between the Agreement and its appendices.
- 40.7. Words and expressions that are not defined in Appendix A, shall be ascribed their meanings as found in the Law, unless another interpretation is mandated from the context or text.

41. **Jurisdiction**

- 41.1. The competent court in Jerusalem shall have local jurisdiction over this agreement.

42. **Notices**

- 42.1. Notice sent by one party to the other pursuant to this Agreement or relevant law shall be sent by registered mail, or by fax with confirmation of receipt, or by electronic mail with confirmation of its acceptance, to the addresses of the parties appearing at the end of the Agreement. A registered letter shall be deemed as having arrived at its destination following seventy two hours from its dispatch by post; a fax or electronic mail shall be deemed as received upon receipt of confirmation of delivery.
- 42.2. The addresses of the parties for the purposes of this agreement:
 - 42.2.1. Authority: Ministry of the Interior - Ministry of the Interior, ISRAEL, 2 Kaplan St., Jerusalem,
 - 42.2.2. Supplier: _____
Address for service of documents: _____

Tel. _____ Fax. _____

Email _____

42.3. The parties' representatives concerning the execution of this Agreement are:

42.3.1. On behalf of Authority: _____ Tel. _____;

42.3.2. On behalf of Supplier: _____ Tel. _____.

42.4. Parties may replace their representatives upon written notice of such to the other party.

In witness thereof the parties set their hands:

Director General
of the Ministry of
the Interior

Comptroller,
Ministry of the
Interior

Representative of
Supplier

Schedule 1 – Definitions (Appendix A of the Tender)

Schedule 2 – Time Schedule

1. The Agreement shall prevail in any contradiction between the text of this Schedule and the Agreement. Purchaser may modify these dates upon prior written notice.
2. In this Schedule, “Effective Date” – is the date of the signing of the Agreement as contemplated by section 3.1 of the agreement.

Date	
Effective Date.	The date the Agreement is signed; the start of the Setup Phase.
Seven days following Effective Date.	Start of Detailed Specification Stage (section 10 of the Agreement).
Thirty seven days following the Effective Date.	Start of Customization Stage (section 11 of the Agreement).
Fifty eight days following Effective Date.	Start of Training Stage (section 12 of the Agreement).
Seventy two days following Effective Date.	Start of Test Stage (section 13 of the Agreement).
One hundred and two days following Effective Date.	Start of the Pre-production Stage (section 14 of the Agreement).
System Acceptance Day	End of Setup Phase, start of Production Phase and Initial Production Stage.
Three months following System Acceptance Day.	End of Initial Production Stage, start of the Ongoing Production Stage.

Schedule 3 – System Environments

The installation of the System environments shall be carried out as stipulated below:

Test Environment	
Party which will perform the installation	Supplier.
Time of Installation	By the end of Customization Stage. Shall be installed at the same site visit as the Staging Environment.
Additional Undertakings of the Supplier	Supplier shall provide Purchaser with database of at least five hundred thousand records and simulative data comprising at least two thousand test records, as similar as practically possible to Purchaser's real records.
Additional notes	Purchaser may add simulative records of its own. The simulative database provided for Test Environment must be in an open format (e.g. not encrypted) and should allow Purchaser to execute its own independent benchmark using the same data (any information required in order to facilitate independent benchmarking must be provided by Supplier to Purchaser).

Staging Environment	
Party which will perform the installation	Supplier. Upon Purchaser's specific request, Staging Environment will be installed by Purchaser whereby installation will be fully accompanied and overseen by Supplier.
Time of Installation	By the end of Customization Stage. Shall be installed at the same site visit as the Test

	Environment.
--	--------------

Production Environment	
Party which will perform the installation	Purchaser. Nevertheless, Supplier shall install the Production Environment within fourteen days from Purchaser's demand, at no additional cost.
Time of Installation	Until System Acceptance Day.
Additional Undertakings of the Supplier	Supplier shall fully support Purchaser during installations performed by Purchaser, as stipulated in section 14.2 of the Contract.

DRP Environment	
Party which will perform the installation	Purchaser. Nevertheless, Supplier shall install the DRP Environment within fourteen days from Purchaser's demand, at no additional cost.
Time of Installation	Until System Acceptance Day.
Additional Undertakings of the Supplier	Supplier shall fully support Purchaser during installations performed by Purchaser, as stipulated in section 14.2 of the Contract.
Additional notes	DRP Environment shall be active mostly in emergency cases or during tests.

Schedule 4 – Documentation

No.	Documentation (as detailed in tender documents)	Additional requirements and comments	Delivery time (T₀ = commencement of the Detailed Specifications Stage)
1.	Relevant Scope of Work documentation.		T ₀ + 30 days
2.	Overview and general descriptive documentation; document of relevant COTS products (standard manuals).		T ₀ + 30 days
3.	Operational documentation (user manuals, including troubleshooting and error codes/correction documentation, etc.).		T ₀ + 44 days
4.	Detailed Installation documentation (to be approved by Purchaser) for all environments.	Supplier will provide Purchaser with a list of all passwords needed during the installation, to allow Purchaser to independently pre-generate all passwords prior to the installation.	T ₀ + 44 days
5.	Detailed technical documentation, including technical and user manuals of all COTS/3rd party components/sub-systems included in System (eg:		T ₀ + 44 days

	GUI, Workflow system, Report Generator, Monitoring system, security components, matching engines), database schema and all relevant Database design information, audit and log components, tuning and optimization guidelines and recommendations.		
6.	DRP, including planning and maintenance procedures.		T₀ + 51 days
7.	All activation data that is required in order to re-generate the activation codes for all licenses supplied (all licenses must be provided with no expiration/termination dates).		T₀ + 51 days
8.	Detailed documentation of the database tables, that will allow Purchaser, amongst other things to verify compliance with the limitations on storage of personal data stipulated in the Law and that will allow to monitor the data and the access to the data with external tools.		T₀ + 51 days
9.	Detailed System administration		T₀ + 51 days

	documentation, including Procedures (backups, preventive maintenance, password procedures, etc.).		
10.	Recommended best practices for the System. Including recommended Thresholds and conditions/criteria for modifying thresholds		T₀ + 51 days
11.	Detailed description of all modifications that were made during customization of the System for Purchaser.		T₀ + 58 days
12.	Training manuals (including all "Train the Trainer" materials and manuals customized for the System and Authority staff).		T₀ + 51 days
13.	Detailed System Acceptance Test (SAT) documentation.		T₀ + 30 days
14.	Documentation of custom applications (where applicable); including source code documentation (with detailed in-source documentation for Purchaser's IP		T₀ + 65 days
15.	Detailed descriptions and		T₀ + 44 days

	explanations regarding all security mechanisms and encryption in the whole solution.		
16.	Any other relevant documentation		T₀ + 60 days, or as is relevant in accordance with implementation progress

Schedule 5 – SOW

The SOW will include (at least):

1. Detailed description of the work plan for all stages of the entire implementation of the solution, including all components thereof, for the defined environments.
2. Gantt tables - Detailed implementation schedule & steps (in accordance with the Tender schedules, unless specific changes are approved in writing by Purchaser), including implementation of the approved workflows, detailed training schedule and plan, etc.
3. Detailed documentation, including application documents, flow/workflow and control diagrams and all additional relevant documentation.
4. Detailed schematics per each environment (single server resolution) & itemized component lists, with details of environments, infrastructure, communications & security components, network schematics & addresses (in collaboration with Purchaser's staff).
5. System Acceptance Test (SAT) documentation, for each environment (SAT must be approved in advance by Purchaser).
6. Tentative plans (including key implications, complexities, potential risks and schedules) for:
 - 6.1. Concurrent (ongoing) operation of The System and Interim System (short term & long term).
 - 6.2. Temporary setup and operation of the Test Clustering System.
 - 6.3. Transition to Clustered System instead of System.
7. Detailed DRP plan and procedures including backup and restore procedures.
8. Support procedures, bug reporting and bug fix & workaround procedures; Escalation procedures.
9. Upload procedures of backlog of external records (if applicable) into the System.

Schedule 6 – Detailed Specifications

1. All detailed design documents, especially with regards to any customization or development which is specific to the System. Implementation will be subject to written approval by Purchaser.
2. Detailed documents describing each component/module customized specifically for this project.
3. Detailed itemized list, descriptions and manuals (user & technical manuals) of all software components and products – engines, middleware, management and control tools, etc.
4. List of services which require administrator permissions (subject to Purchaser's approval).
5. Application & system update/upgrade procedures.
6. Detailed Transition plans; including implications on simulative and live data; as well as detailed SAT (System Acceptance Test plans) for each of the environments – Test, Staging, Production, DRP and Test Clustering System
 - 6.1. From Test to Staging.
 - 6.2. From Staging to Production.
 - 6.3. From Interim System to Production.
7. User Interface documentation.
8. Design and implementation plan for Test Clustering System.
9. Tuning and Optimization plans and procedures.
10. DRP plan and test procedures.

Schedule 7 – Training Guidelines and Framework

1. The training program will ensure full compliance of Purchaser's staff proficiency and expertise (operational, administrative and Management) in the System, as is required to ensure optimal operation, management and control by Purchaser's staff.
2. The training program will be fully adapted to Purchaser's staff backgrounds.
3. Training program will include a detailed "Train the Trainer" sub-program, which will be implemented by Supplier in order to ensure Purchaser's ability to install all environments; as well as to maintain continued internal Purchaser staff proficiency, with the System and its operation and maintenance. Documentation and materials of this program will be provided to Purchaser for its future use.

Schedule 8 – Source Code Escrow Agreement

An Agreement Between

Whose address is _____

Registered in the _____ Register

Corporate no. _____

By the authorized signatories _____

(Hereinafter: “**Company**”)

As one party;

–And–

Whose address is _____

By the authorized signatories _____

(Hereinafter: “**Trustee**”)

As the second party;

-And between-

Government of Israel, by the Biometric Database Management Authority, through its authorized signatories, Director General of the Biometric Database Management Authority and Comptroller of the Ministry of the Interior;

(Hereinafter: “**Authority**”)

As the third party.

1. **Definitions**

- 1.1. **"The Main Agreement"** – the Agreement between the Authority and the Supplier, dated _____ on the subject of _____.
 - 1.2. **"The System"** – a biometric matching system which is the subject of the Main Agreement .
 - 1.3. **"The Deposited Code" or "the Documentation"** - the original source code and in-source and all other descriptive (textual) documentation of the System, and of the following parts of the System: _____, as well as any source codes, executables and documentation regarding advanced releases, subsequent developments, updates and upgrades, and improvements introduced into the System or in part of it and which have been supplied to the Authority, and in respect of which the Documentation has been deposited . In addition – all executable files of current version, as well as all information required for compiling the source code.
2. The Main Agreement shall constitute an appendix to this Agreement and its provisions insofar as they are relevant to the Parties under this Agreement, shall bind the Parties .
3. The Company hereby deposits the Documentation with the Trustee in escrow. The Documentation is being deposited both on magnetic media and in the form of a written and printed list (descriptive documentation is supplied in standard electronic formats – MS-WORD or editable PDF).
- 3.1. It is hereby clarified that the Authority may check the compatibility of the deposited material with its requirements in the Main Agreement.
 - 3.2. The Company shall update the deposited Documentation from time to time as required in accordance with updates and upgrades of the system or any of its individual parts, in order to meet the requirements of this Agreement .
 - 3.3. Trustee will notify Authority in writing upon the occurrence of each update of Documentation by Supplier; and upon any delays by Supplier to provide such Documentation to Trustee.

4. Trustee shall notify Authority in writing regarding any request of the Company to withdraw the Documentation or any part thereof from escrow.
5. Payment to the Trustee shall be made by the Company and shall be the sum of _____, with the following terms of payment: _____.
6. Upon the occurrence of one of the events detailed below in this section, the Trustee shall deliver the deposited documentation to the Authority within (14) days of the date of its written demand :
 - 6.1. The Company has commenced liquidation proceedings, either voluntary or involuntary.
 - 6.2. A temporary or permanent receiver has been appointed for the Company.
 - 6.3. The Company is unable to continue providing a service and performing its obligations under the provisions of the Main Agreement .
 - 6.4. Rescission of the Main Agreement by the Company other than by reason of a breach of the Agreement by the Authority.
7. Confirmation of the occurrence of any event detailed above in Section 6 should be signed by a duly authorized representative of the Company for such purpose or by certification of the Director General of the Authority and shall obligate the Trustee to deliver the Documentation as aforesaid, after having reasonably examined the occurrence of the alleged event.

Signatures:

Date

Date

Date

The Company

The Trustee

The Authority

Schedule 9 – Supplier's Confidentiality Undertakings

1. Definitions

- 1.1. "Confidential Information" - any information relating to or associated with, directly or indirectly, the Biometric Database Management Authority, its operations or contacts, including information or details related to the Agreement, the nature of the Israeli Database matching System and the unique features of the System supplied by the Supplier.

2. Confidentiality undertakings

By its signature below, Supplier represents and undertakes:

- 2.1. Not to disclose, show, distribute, disseminate or transmit, during the contractual period or at any time subsequent thereto, to any person or body, in any way or form, any Confidential Information.
- 2.2. To perform all reasonable actions and take all reasonable measures in order to prevent any leak of Confidential Information to non-authorized parties. The aforesaid actions and measures will be no less than the actions and measures the Supplier takes to avoid unauthorized disclosure of Supplier's own confidential information.
- 2.3. To use the aforementioned information for the sole purpose of the agreement between Supplier and Purchaser.
- 2.4. At the request of Purchaser, to sign every employee, subcontractor or our representatives on a non-disclosure agreement to be provided to the Supplier by the Purchaser.

3. Exceptions

- 3.1. Notwithstanding the provisions set forth in section 2, the Supplier may disclose confidential Information to its employees, who have a reasonable need to know such Confidential Information and who are under binding obligation to keep such information confidential. Such binding obligation shall provide at least the same level of confidentiality as is required by this agreement.
- 3.2. Supplier's obligations as per section 2 shall not apply to any information which the Supplier can prove is:
 - 3.2.1. Publicly known at the time of disclosure;

- 3.2.1.1. Confidential Information shall not be deemed to be public merely because any part of the Confidential Information is embodied in general disclosures or because individual features, components or combinations thereof are now or become known to the public;
 - 3.2.2. Subsequently becomes publicly known through no fault of the Supplier;
 - 3.2.3. Discovered or created by the Supplier before disclosure by Authority;
 - 3.2.4. Is independently developed by the Supplier without the benefit of any of the Confidential Information as evidenced by written documentation;
 - 3.2.5. Learned by the Supplier through legitimate means other than from the Authority or its representatives;
 - 3.2.6. Disclosed by Supplier with Purchaser's prior written approval.
 - 3.2.7. Required to be disclosed in order to comply with legal mandatory regulations, a judicial or official order or decree, provided that written advance notice of such judicial action was timely given to the Authority.
4. The duty to hold Confidential Information in confidence shall remain in effect until the Authority will send the Supplier a written notice releasing Supplier from its undertaking set forth in section 2.

Date

Signature of Supplier

Schedule 10 – Supplier's Representative's Confidentiality Undertakings

1. Definitions

- 1.1. "Confidential Information" - any information relating to or associated with, directly or indirectly, the Biometric Database Management Authority, its operations or contacts, including information or details related to the Agreement, the nature of the Israeli Database matching System and the unique features of the System supplied by the Supplier.

2. Confidentiality undertakings

By its signature below, Supplier's representative represents and undertakes:

- 2.1. Not to disclose, show, distribute, disseminate or transmit, during the contractual period or subsequent thereto, to any person or body, in any way or form, any Confidential Information.
- 2.2. To perform all reasonable actions and take all reasonable measures in order to prevent any leak of Confidential Information to non-authorized parties. The aforesaid actions and measures will be no less than the actions and measures the Supplier takes to avoid unauthorized disclosure of Supplier's own confidential information.
- 2.3. To use the aforementioned information for the sole purpose of the agreement between Supplier and Purchaser.

3. Exceptions

- 3.1. Notwithstanding the provisions set forth in section 2, the Supplier's representative may disclose confidential Information to Supplier's employees, who have a reasonable need to know such Confidential Information and who are under binding obligation to keep such information confidential. Such binding obligation shall provide at least the same level of confidentiality as is required by this agreement.
- 3.2. Supplier's representative's obligations as per section 2 shall not apply to any information which the representative can prove is:
 - 3.2.1. Publicly known at the time of disclosure;
 - 3.2.1.1. Confidential Information shall not be deemed to be public merely because any part of the Confidential Information is embodied in general

disclosures or because individual features, components or combinations thereof are now or become known to the public;

- 3.2.2. Subsequently becomes publicly known through no fault of the Supplier or the Supplier's representative;
 - 3.2.3. Discovered or created by the Supplier before disclosure by Authority;
 - 3.2.4. Is independently developed by the Supplier without the benefit of any of the Confidential Information as evidenced by written documentation;
 - 3.2.5. Learned by the Supplier through legitimate means other than from the Authority or its representatives;
 - 3.2.6. Disclosed by Supplier with Purchaser's prior written approval.
 - 3.2.7. Required to be disclosed in order to comply with legal mandatory regulations, a judicial or official order or decree, provided that written advance notice of such judicial action was timely given to the Authority.
4. Supplier's representative represents that his undertaking pursuant to the provisions of section 1.1 above shall remain in effect without limitation, even after the termination of its work with the Supplier.

Date

Signature of Supplier Representative

Schedule 11 – Insurance Certificate

Date: _____

To:

The State of Israel – Ministry of Interior,

The Biometric Database Management Authority

Re: **Certificate of Insurance**

We hereby confirm that we have issued to _____ ("**Company**"), which is insured with us **under the following insurance policies**, for the insurance term from _____ to _____, regarding the supply of a Biometric Matching System, pursuant to an agreement signed between the Company and the State of Israel – Ministry of Interior, The Biometric Database Management Authority:

1. Combined product liability and professional indemnity policy for the software and hardware industry OR Electronic Products and Services Errors or Omissions and Products Liability Insurance (No. _____).
2. The policy covers the Company's liability with all regards to planning, designing, development, setup, installation, transfer to production environment, training, adjustment, maintenance and support of a biometric matching system pursuant to the agreement with the State of Israel – The Biometric Database Management Authority under a combined product liability and professional indemnity insurance policy .
3. The policy covers the liability of the Company, its employees, and anyone acting on its behalf concerning any professional act or omission – coverage in respect of breach of professional duty, error or omission, negligence or neglect;
4. The policy covers liability for any product defect – coverage in respect of damage caused, connected to products manufactured, developed, updated or upgraded, assembled, repaired, delivered, sold, distributed, or otherwise handled by the Company or any person acting on its behalf;

5. The policy covers any actions of the Company, its employees and any person acting on its behalf, including development, installation, and maintenance of the biometric matching system.
6. The limit of liability per event and per year shall not be less than two million five hundred thousand (2,500,000) USD;
7. Extension of disclosure period – at least twelve (12) months ;
8. The insurance policy contains a cross liability clause.
9. The policy is expanded to indemnify the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, inasmuch as they shall be considered responsible for the act or omissions of Company or anyone acting on its behalf .
10. The coverage is expanded to cover the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, in addition to the name of the insured.
11. No reduction or cancellation of the insurance by any party shall be valid unless we will issue notice in writing least sixty days in advance, which will be sent by registered letter to the Comptroller of the Ministry of Interior, with a copy thereof to the Biometric Database Management Authority Representative.
12. We waive any right of subrogation, claim, participation or reimbursement against the State of Israel – Ministry of the Interior - The Biometric Database Management Authority and its employees, provided that the waiver does not act to favor any person who has caused damage with malice .
13. The Company is solely responsible for the payment of premiums for the policies, and to satisfy all of the duties imposed on the policy holder according to the terms of the policy .
14. The Company is solely responsible for the deductible in each policy .
15. Any clause in the insurance policy that nullifies or in any way reduces the liability of the carrier due to the existence of another policy, shall not be effected against the State of Israel – Ministry of the Interior - Population, Immigration and Border Authority, and the policy is considered as the primary policy entitled to all the rights under the terms of the policy .

Subject to the terms and limitations of the original policies, as far as they have not been explicitly modified by that stated in this Certificate of Insurance.

Sincerely,

Authorized signatory and seal of Insurer

Date

Schedule 12 – Performance Bond

Name of Bank/Insurance Company _____

Tel. No. _____

Fax no. _____

To: Government of Israel

By the Biometric Database Management Authority

Re: our guarantee no. _____ for _____

We hereby guarantee to cover any sum until _____

(as written _____)

That is demanded from: _____ (hereinafter the
“**Debtor**”) in all matters regarding _____ .

We will remit the aforesaid payment within 15 days from the date of your first demand sent to us by registered mail, without the need for any explanations for your demand and without raising any claims against you available to the debtor regarding the outstanding debt or first demanding defrayal of the aforesaid sum from the Debtor.

This guarantee shall remain in effect from the date of _____ to the date of _____.

A demand pursuant to this bond must be referred to bank branch / insurance company _____ whose _____ address _____ is

Name of bank/insurance company

Bank and branch number

Address of bank /insurance
company

This guarantee is non-transferable.

Date

Full name

Stamp and signature