

**LAPAM**

*Israel Government Advertising Agency  
9 Ahad Ha'am st., Tel Aviv 6525101, Israel  
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# Invitation to Tender

## Selection of a Global Media Planning & Buying Agency for the Israel Ministry of Tourism

Tender No. 25/02/13

7<sup>th</sup> April 2014

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# **Part A – Executive Summary**

## **1. About LAPAM and the Israel Ministry of Tourism**

**1.1.** LAPAM is the Israeli Governmental advertising agency (Hereafter: **LAPAM**) operating as a full service advertising agency for all Israeli governmental offices.

**1.2.** Since the year 2005 LAPAM handles the global advertising account of the Israel Ministry of Tourism (Hereafter: **the Ministry**).

**1.3.** For the purpose of attracting tourists to visit Israel, the Ministry via LAPAM conducts media campaigns in countries that demonstrate most potential for incoming tourism to Israel. In operating those campaigns, LAPAM employs creative agencies and media agencies abroad.

In this Tender LAPAM is looking for one global media agency to be employed by LAPAM on behalf of the Ministry in various markets as detailed hereafter.

## **2. About the Global Account of the Ministry**

**2.1.** The estimated overall yearly media budget range is €11,000,000 - €14,500,000 (eleven million to fourteen and a half million Euros) (about \$15,000,000 - \$20,000,000 – fifteen million to twenty million USD).

The yearly budget is divided among the various countries according to the Ministry's directives, which may change from time to time according to the Ministry's goals, needs, and available resources.

**2.2.** The main markets in which the Ministry advertises are - North America, Germany, the UK, France, Italy, The Netherland, and Russia (hereafter: **the Main Markets**). Approximately 70%-90% of the advertising budgets are invested in the main markets.

**2.3.** Smaller markets where the Ministry either advertises nowadays or consider to advertise in the future are: The Nordic countries, Poland, Ukraine, South Korea, India, and China.

## **3. About the Tender**

**The website, which will contain all the Tender documents and information related to this Tender, as publicized by LAPAM, is**

**[www.pirsum.gov.il/LAPAMEng](http://www.pirsum.gov.il/LAPAMEng)**

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**3.1.** This tender is a public tender. Any global media agency which complies with the mandatory requirements (as detailed in **Part D**) may participate.

**3.2.** The tender process is divided into two (2) stages:

(a) **At the first stage** each interested agency should provide information and documents necessary to prove its compliance with the mandatory requirements. For further details see **Part D**.

(b) **At the second stage** LAPAM will invite all eligible agencies to tender their proposals for evaluation. For further details see **Part E**.

### **4. About the Contract**

**4.1. Term:** The winner of this tender will be invited to sign a contract (hereafter **the Contract**) with LAPAM for a period of 1 (one) year with an option to extend this contract for 4 (four) additional periods of one year each. The total duration of the contract shall not exceed 5 (five) years.

**4.2. Remuneration:** The agency's remuneration will be composed of: (a) a monthly retainer and (b) a 2% (two percent) fee of the net media billing. For further information see **Part H**.

**4.3. Performance Bank Guarantee:** upon the signing of the contract, the winning agency will be requested to provide a Performance Bank Guarantee of €250,000 (two hundred and fifty thousand Euros), as detailed in **Part I**.

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### **5. Schedule**

Hereunder is the estimated outline of the tender's schedule. All dates are subject to changes.

Last day for questions and clarification request regarding the process and/or the mandatory requirements	29 <sup>th</sup> April 2014
Last day for submission required information and documents	7 <sup>th</sup> May 2014
Last day for questions regarding the presentation and the financial bid	28 <sup>th</sup> May 2014
Last day for submitting the financial bids	7 <sup>th</sup> June 2014
Oral Presentation	17 <sup>th</sup> -18 <sup>th</sup> June 2014
Announcement of the tender results	10 <sup>th</sup> July 2014
Signing the contract	31 <sup>st</sup> July 2014

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### **Part B – The Required Services**

1. LAPAM is looking for a global media planning & buying agency (Hereafter: "The **Agency**") that will plan and buy media for LAPAM on behalf of the Ministry in various countries over the globe ( Hereafter:" **The Services**").

The services include:

**1.1 Media planning** – The Agency will prepare media plans upon requests from LAPAM according to the briefs which LAPAM will provide. These briefs will include information about the target audience, the scope of budget available, timing, and any other relevant information.

**1.2 Media buying** – After the media plans are approved by LAPAM, the agency will buy the media accordingly.

**1.3 Special media projects** – From time to time the Agency may be asked to propose and to carry out special media projects in certain markets, such as cooperation with publishers/media channels, opportunities for branded content initiatives, etc. Such special projects may also be initiated by LAPAM and/or the Ministry. In these cases the Agency will carry out the projects for LAPAM.

2. The Agency should have the capability to plan and buy media in each of the following media vehicle:  
TV; Radio; Online; Out-Of-Home; Press: Newspapers and Magazines - National, regional, consumer, trade, and religious (Christian and Jewish) titles.

3. The Agency will provide LAPAM all relevant media kits (the media kit of every medium which is included in the approved media plans), as well as post analysis of the campaigns, market data reports and competitive data reports.

4. In most cases the Ministry's campaigns are confined to a certain market/territory (for example – a campaign in the USA and Canada, a campaign in the UK, a campaign in Italy etc.). Campaigns in the different markets run independently, according to the needs, opportunities, and challenges of the Ministry's marketing effort in each market.

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5. Notwithstanding the above, LAPAM may from time to time request media plans for global or Pan-European campaigns.

6. LAPAM is employing creative agencies in the main markets (as defined in **Part A clause 2.2** above). The creative agencies are in-charge of developing, creating, and delivering the creative materials for the Ministry's campaign. The media agency will prepare a production plan for each approved media plan and send it to the relevant creative agency.

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## **Part C – The Tender Process**

The tender process is divided into 2 stages:

**Stage 1:** Expression of interest and establishment of eligibility.

**Stage 2:** Submission and evaluation of proposals.

### **1. Stage 1: Expression of interest and establishment of eligibility**

At the first stage, the interested agencies are required to submit all the information and documents as detailed in **Part D** below in order to establish their eligibility i.e. - compliance with the mandatory requirements (hereafter: "the **Required Documents**").

**1.1.** The required documents that establish the eligibility (**Appendix 1** and documents of incorporations) should be submitted to LAPAM no later than **7<sup>th</sup> May 2014** according to the instructions of submission set forth in **Part F** below.

**1.2.** The agencies will be allowed to ask clarification questions regarding the tender process and the mandatory requirements. All questions should be sent via e-mail to [mediatender2014@lapam.gov.il](mailto:mediatender2014@lapam.gov.il), no later than **29<sup>th</sup> April 2014**.

Please note – due to Passover holiday, LAPAM's offices will be closed from 14<sup>th</sup> April till 22<sup>nd</sup> April, 2014. Answers to questions arriving during those days will be answered only after LAPAM's offices will reopen.

**1.3.** LAPAM's tender committee will examine the submitted documents and determine the eligibility of each agency. The tender committee is entitled to address the agencies and ask for clarifications and/or for completion of documents as it sees fit.

**1.4.** Only those agencies which are found eligible by the tender committee will continue to stage 2 of the tender- Submission and evaluation of Proposals.

**1.5.** All participating agencies will be notified in writing as for the decision regarding their compliance with the mandatory requirements, no later than **21<sup>st</sup> May 2014**.

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### **2. Stage 2: Submission and Evaluation of Proposals**

At the second stage, the agencies which were found eligible by the tender committee will be summoned by LAPAM to submit their proposals for evaluation.

"**The proposal**" in this tender is composed of two parts:

- (A) Financial bid.
- (B) Presentation of capabilities and experience;

For further details regarding the proposal- see **Part E** below.

**2.1.** Questions regarding the proposals should be sent to LAPAM via e-mail to Mr. Guy Getz (same e-mail address as above) no later than **28<sup>th</sup> May 2014**

LAPAM's response will be sent in writing to all participating agencies.

**2.2.** The Proposal should be submitted according to the instructions and the timetable set forth in **Part F** below.

**2.3. An oral presentations** will be held in London on **17<sup>th</sup> -18<sup>th</sup> June 2014** (Dates are subject to change). LAPAM reserves the right to hold the presentation in another city in Europe. LAPAM will inform the participating agencies about the final venue and the exact meeting time slot - three weeks in advance.

**2.4.** The proposals will be evaluated and will be given a score according the criteria procedure set forth in **Part G**. The Agency with the highest score will be invited to sign a contract with LAPAM.

**2.5.** Each participating agency will be notified in writing about its result in the process of evaluation.

Please note – all dates mentioned above, as well as the venue of the presentations, are subject to changes. Should a change occur in any of the dates – LAPAM will post a notification on its website [www.pirsum.gov.il/LAPAMEng](http://www.pirsum.gov.il/LAPAMEng) Notices about the venue will be sent to all eligible agencies.

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## **Part D – Mandatory Requirements**

### **1. "Eligible Agencies"**

Eligible agencies in this tender must comply with all the following requirements:

**1.1.** An eligible agency must have branches in each of the following countries: USA, Russia, Germany, UK, France, and Italy.

A "Branch" for the purpose of this tender is an office that must be owned (directly or indirectly) by the agency.

**1.2.,** An eligible agency must have either branches or affiliated local offices in each of the following markets: The Netherlands, Sweden, Denmark, Finland, Poland, Ukraine, South Korea, India, and China.

A "local office" for the purpose of this tender could be either "a Branch" or an office connected to the agency in an affiliation agreement.

**1.3.** An eligible agency must have the ability to designate "a branch" to serve as the central office for LAPAM's account. The designated branch must be located in either UK or Germany or France or Italy or The Netherlands, and should have at least 20 professional Employees.

**1.4.** An eligible agency should have annual turnover (media billing) in the amount of at least €100,000,000 (Hundred million Euros) in each of the following years: 2010; 2011; 2012.

**1.5.** An eligible agency must have at least 3 (three) active clients, each of them buying media via the agency in at least 3 (three) countries as follows: the **USA** and at least 2 (two) additional countries from the following list - **Russia, Germany, France, UK.**

**1.6.** An eligible agency should have a proven 5 (five) years minimum experience in global media planning and buying.

### **2. Establishment of Eligibility**

In order to establish their compliance with the above mandatory requirements, each participating agency is required to fill-in the blank spaces in the table shown in **Appendix 1** and to add the required documents as instructed in **Appendix 1**.

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### **Part E – The Proposal**

**The Proposal** is composed of two elements: quantitative (Financial Bid) and qualitative (Presentation).

#### **1. Financial Bid:**

##### **1.1. The financial bid should include:**

- (a) Proposal for monthly retainer.
- (b) Proposed media prices table.

**1.1.1.** The proposal for monthly retainer should be denominated in Euros and shall be within in the range of €3,000 (three thousand Euros) - €9,000 (nine thousand Euros). **Any proposals lower than €3,000 (three thousand Euros) or higher than €9,000 (nine thousand Euros) will be automatically rejected and the agency will be disqualified from the tender.**

**1.1.2.** In the media prices table (in **Appendix 3**) agencies are asked to propose the net prices they can guarantee for LAPAM.

"**Net prices**" are the actual prices after all discounts and exclusive of the 2% (two percent) fee the agency will get from LAPAM.

#### **2. Presentation:**

**2.1.** The presentation should demonstrate the agency's capabilities, skills, experience in media planning and buying, as well as innovativeness and originality in media planning.

##### **2.2. The presentation will include:**

**2.2.1.** 2 (two) media plans for 2 (two) different markets (one media plan for each market) according to the briefs in **Appendix 4**. The media plans should demonstrate the following:

- A.** Good understanding of the brief (relevance of the media plans to the target audiences and to the marketing goals);
- B.** Efficient usage of the budgets;
- C.** Performance indicators

**2.2.2.** Proposed "Out of the box" ideas that LAPAM and the Ministry can apply to promote tourism to Israel in the USA or in France or in the UK.

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**2.2.3.** Showcase of 1 or 2 (one or two) special media projects carried out by the agency in the last 3 (three) years in one of the following countries: USA, France, or the UK.

A "special media project" is any campaign or project that involves Branded Content/Advertiser Funded Programming, or utilization of media or regular advertising media in a unique or an extraordinary way.

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## **Part F – Instructions for Submission**

### **1. Stage 1 : Expression of Interest and Establishment of Eligibility**

**1.1.** Documents and information requested in **Part D** above for the establishment of eligibility should be sent by e-mail to [mediatender2014@lapam.gov.il](mailto:mediatender2014@lapam.gov.il) no later than the **End Of Business (EOB) on 7<sup>th</sup> May 2014**. The subject line of the message should state the agency's name and the number of the tender – 25/02/13.

**1.2.** Questions and clarification requests regarding the mandatory requirements should be sent to the same e-mail addresses ([mediatender2014@lapam.gov.il](mailto:mediatender2014@lapam.gov.il)) no later than EOB on **29<sup>th</sup> April 2014**.

**1.3.** LAPAM's tender committee will examine the submitted documents and determine the eligibility of each agency. The tender committee is entitled to address the agencies and ask for clarifications and/or for completion of documents as it sees fit.

**1.4.** Only those agencies which are found eligible by the tender committee will continue to stage 2 of the tender - submission and evaluation of proposals.

**1.5.** All participating agencies will be notified in writing as for the decision regarding their compliance with the mandatory requirements, no later than **21<sup>st</sup> May 2014**.

### **2. Stage 2: Submission of Proposals:**

Eligible agencies should submit their proposals for evaluation in the following manner:

**2.1. The proposals** (presentations and financial bids) must be submitted in the English language only.

#### **2.2. Financial Bid:**

**2.2.1.** Each participant in stage 2 of the tender shall fill-in and sign the forms in **Appendix 3** (proposed monthly retainer and media price table).

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**2.2.2.** The financial bid should be sent no later than **7<sup>th</sup> June 2014** to the e-mail address [bid250213@lapam.gov.il](mailto:bid250213@lapam.gov.il). The subject line of the message should state the agency's name and the number of the tender – 25/02/13.

The financial bids will be opened by the tender committee in Tel Aviv, Israel, only after all the presentations parts of the proposals are evaluated and scored. For further details see **Part G**.

**2.2.3.** Media prices in the prices table should be the **net prices** the media agency will be able to provide LAPAM and the Ministry.

"**Net prices**" - means the net cost for the media agency (prices after all discounts and exclusive of the 2% fee the agency will get from LAPAM).

**2.2.4.** The prices in the media prices table should be entered in the following currencies:

For media in the USA – USD

For media in Russia – Russian Ruble

For media in the UK – GBP

For media in Europe – Euros

### **2.3. Oral Presentations:**

At the day set for the oral presentation, each agency will be given a time-slot of 75 (seventy five) minutes to make its presentation to the tender committee. The presentation should include all the elements as required in **Part E**. In addition, the presentations will include a short self- presentation of the agency and of the team that will handle the account.

At the end of the oral presentation, each agency should give the tender committee 3 (three) copies of its presentation on CDs or on portable memory sticks.

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### **Part G – Evaluation of Proposals**

1. The proposals will be evaluated and will be given a score according to the following criteria:

<b>Description</b>	<b>Max. obtainable score</b>
<b><u>Presentation</u></b>	<b><u>30 (thirty) points:</u></b>
2 (two) media plans according to given briefs	15 (fifteen) points
Proposed 2 (two) "out of the box" ideas	7.5 (seven and a half) points
Showcase of 1 or 2 (one or two) special media projects executed by the agency	7.5 (seven and a half) points
<b><u>Financial Bid</u></b>	<b><u>70 (seventy) points:</u></b>
Media prices	60 (sixty) points
Proposed retainer	10 (ten) points
<b>Total</b>	<b>100 (one hundred) points</b>

2. **Presentation's Score** [30 (thirty) points max.] will be given for the following elements:

**2.1.** 2 (two) media plans that answer the briefs in **Appendix 4** (up to a total of 15 (fifteen) points - 7.5 (seven and a half) points for each media plan).

**2.2.** Showcase of 1 or 2 (one or two) special media projects executed by the agency [up to 7.5 (seven and a half) points] – The projects should demonstrate creativity and originality in media planning.

Maximum score for presenting only one project is 4 (four) points. An agency presenting an additional project (in any of the markets – USA, France, or the UK) can gain additional 3.5 (three and a half) points, making a total of 7.5 (seven and a half) obtainable points for this item.

To be pointed out:

Lack of experience in such special projects will not disqualify the proposal, but there will be zero (0) score for this item.

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**2.3.** Proposed 2 (two) "out of the box" ideas [7.5 (seven and a half) points] – The proposed ideas should be original and feasible (budget-wise and media-wise).

**3. Cut Off Score** - A cut-off score of 21 (twenty one) minimum out of 30 (thirty) available points for the presentation part of the proposal is a mandatory requirement in order to stay in the evaluation process: Any agency that fails to obtain the cut-off score will be disqualified at this stage, and its financial bid will remain unopened.

**4. Financial Bid Score** - overall 70 (seventy) points - media Prices [60 (sixty) points] plus proposed retainer [10 (ten) points].

**4.1.** Only the financial bids of those participants who obtained the cut off score of 21 (twenty one) out of 30 (thirty) available points for the presentation will be opened and given score by the tender committee

**Media Prices [60 (sixty) points]:**

**4.2.** In order to create a common base of data for the calculation of the score each agency receives, the tender committee will convert all prices on the media prices table (**Appendix 2**) into Euros according to the exchange rates on the day the calculation is made. Exchange rates will be taken from the Yahoo! finance website <http://finance.yahoo.com>. The same exchange rates will be applied to all the Participating agencies.

**4.3.** Each media-prices bid will be summed up by the committee into a single number. The agency with the lowest number (i.e. lowest summed-up prices) will receive the maximum score of 60 (sixty) points. All other agencies' score will be calculated relatively to the maximum score.

**Proposed Retainer [10 (ten) points]:**

**4.4.** The agency that will propose the lowest retainer bid will be given the maximum available score of 10 (ten) points. All other agencies' score will be calculated relatively to the maximum score.

**4.5.** The combined score of the media prices and the proposed retainer is the score of the financial bid of each participant.

**5. Final Score** - The final score for each agency will be the combined score of the presentation and of the financial bid. The agency with highest final score will be invited to sign the contract with LAPAM.

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6. The tender committee is entitled, but not bound, to announce the agencies that won second and third places as a stand-in-winners, which will have the right to win the tender in turn if the winner doesn't sign a contract with LAPAM or otherwise found unable or unfit to perform the service.

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### **Part H – Remuneration**

1. **Fees:** The fee paid to the selected agency for the services rendered to LAPAM will be composed of:

- (a) A fixed **2%** (two percent) of net media billings;
- (b) A monthly retainer as proposed by the agency in its financial bid.

In cases where LAPAM will involve the media agency in special projects (which include media as well as substantial production elements), the agency will be entitled to its **2%** (two percent) for the entire net cost of the project.

**Please Note:** The agency shall not receive any additional payment whatsoever for these services from LAPAM and / or from the Ministry, and it shall not accept for its own benefit any trade commission, super commission discounts, etc. from any other third party.

2. All discounts on media prices will be awarded to LAPAM.

3. **Payment & invoicing:**

LAPAM will pay invoices within 45 days after they are received at the LAPAM offices, in accordance with the procedure specified in **Appendix 5** below - "Draft Contract".

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### **Part I – Other Issues**

1. LAPAM reserves the right, at its own discretion, not to choose the cheapest proposal, or any proposal at all, or to cancel the tender altogether, or to publish a new tender or to undertake any other procedure according to law.
2. Any agency submitting a proposal is deemed to have accepted the terms and conditions of tender and of the draft contract. LAPAM has the right to disregard any proposal that contains any disclaimers, changes or amendments to the Tender requirements. Should the Ministry choose such a proposal, all such disclaimers, amendments or changes shall be considered null and void and shall not bind the Ministry.
3. The selected agency will sign a contract based on the draft contract in **Appendix 5** and its proposal in this tender. The duration of the contract will be for a period of 12 (twelve) months from the date of signing by both parties. LAPAM has the right to extend the contract for 4 (four) additional periods of 12 (twelve) months each [5 (five) years altogether]. In the event of an extension, LAPAM will provide written notification one month in advance.

Notwithstanding the above, LAPAM will have the right to terminate the contract and/or any extension of it, at any time at its own discretion upon 2 (two) months written notification to the selected agency.

4. LAPAM and the Ministry cannot guarantee the scope of the annual budgets assigned for media buying, or the scope of allocation to any of the markets.
5. During the whole contract term and/or any extension of it, the media agency shall treat any information acquired through the cooperation with LAPAM and the Ministry as strictly confidential. This obligation shall be imposed on its employees, agents, representatives, etc. and will remain effective beyond the duration of the contractual relationship.
6. In cases of force majeure or under exceptional circumstances which seriously affect the effectiveness of the campaigns, LAPAM and the Ministry reserve the right to defer or postpone all or some of the campaigns, in their entirety or in parts.
7. LAPAM reserves the right to use the Agency to purchase media for clients other than the Ministry (i.e. – other governmental offices, public

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organizations, etc.). Terms for media buying on behalf of LAPAM's other clients will be the same as those of the Ministry.

8. LAPAM reserves the right to negotiate media prices with the Agency. All media prices offered by the media agency, including items that are not part of the proposal in this tender, will be scrutinized by LAPAM and compared with the official rate-cards of the publishers.
9. LAPAM and the Ministry reserve the right to purchase parts of the media directly and independently or via another agent as it sees fit in any of the markets. Without diminishing from the generality of the above - this tender and Contract will not affect existing binding contracts that LAPAM or the Ministry have in territories other than North America and Europe.
10. For the purpose of carrying out the services according to the tender and the contract with the selected agency, LAPAM will work only with the designated office in Europe/UK.
11. In the event of any disputes regarding the contract to be signed between LAPAM and the selected agency, such disputes shall be adjudicated under Israeli law in the city of Tel Aviv only.
12. Performance Bank Guarantee - upon the signing of the contract, the winning agency will provide a Performance Guarantee of €250,000 (two hundred and fifty thousand Euros) from a reputable international bank or from an Israeli bank, which will be valid for 14 (fourteen) months from the day of signing. The contract between LAPAM and the agency shall only come to force after the agency has submitted the Performance Guarantee note. In case LAPAM extends the contract – the agency will extend the validity of the Performance Bank Guarantee accordingly.

Sincerely,

**LAPAM's Tender Committee**

**LAPAM**

Israel Government Advertising Agency  
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## Appendix 1

### Mandatory requirements Form

Name of Agency \_\_\_\_\_

#### 1. Branches and Local Offices Table

<u>Country</u>	<u>Name of Branch/Local Office</u>	<u>Full Address</u>	<u>Number of Employees</u>	<u>Relation to Agency (Branch/Affiliation)</u>
USA				
Russia				
Germany				
France				
UK				
Italy				
The Netherlands				
Spain				
Sweden				
Denmark				
Norway				
Finland				
Poland				
Ukraine				
South Korea				
India				
China				

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### **2. Central Office for LAPAM's Account**

Branch Name:

---

Full Address:

---

Number of Professional Employees:

---

### **3. Declaration of Annual Turnover**

I/We, \_\_\_\_\_ (full name)  
the undersigned, \_\_\_\_\_ (job title) in the agency  
\_\_\_\_\_ {name of the agency, (Hereafter: **the agency**)} hereby declare that the annual turnover (media billing) of the agency) was:

Year: 2010 Annual Media Billing: \_\_\_\_\_ currency \_\_\_\_\_

Year: 2011 Annual Media Billing: \_\_\_\_\_ currency \_\_\_\_\_

Year: 2012 Annual Media Billing: \_\_\_\_\_ currency \_\_\_\_\_

Signature of authorized signatory \_\_\_\_\_

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**4. Table of Active Clients and Countries of Operation\***

	Name of Client	Countries of Operation
1		
2		
3		

\*The mandatory requirement is that the clients advertise in the USA and in at least 2 (two) additional countries from the following list: Russia, Germany, France, and UK.

**5. Additional Documents:**

**Document of incorporation** and an official document signed by an audit that states the names of authorized signatories.

Signature of authorized signatory \_\_\_\_\_

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## **Appendix 2** **Information about Contact Persons**

Please fill-in the requested information in the table below and submit it according to the instructions in **Part E 1.2**

**Name of Agency:** \_\_\_\_\_

Name and Job Title of employee who will serve as a contact person for the tender process:	Name: Job Title:
Contact details:	E-mail: Tel. Number:
Name and Job Titles of employee who will head the team that will handle LAPAM's account:	Name: Job Title:

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### **Appendix 3**

### **Financial Bid**

Please fill-in the net prices you can guarantee for each requested item.

Prices for print media should be valid until the end of 2014.

Prices for TV media should be valid for October 2014.

After the year of 2014, the proposed prices will be adjusted to the inflation rate in each market and the consequent price changes in the publisher's rate cards.

Therefore– if a publisher increases the rates on his rate-card by 5% in 2015, the winning agency could only increase its price for the relevant item by 5%. And so forth for the next coming years.

**Please sign your name on the bottom of each page of the Financial Bid**

Name of Agency \_\_\_\_\_

	<b>Media</b>	<b>Size/Specification</b>	<b>No. of insertions</b>	<b>Total Net. Price</b>
	<b>Germany</b>	<b>Travel (Reise) section for all titles where applicable</b>		<b>Price in Euros</b>
1	Zeit - Magazin	Single page 4c	3	
2	Berliner Morgenpost Hauptausgabe (Sunday)	1000 mm ad 4c (Travel section)	3	
3	WAZ Reisejournal (Combination of Th & Sa)	1000 mm ad 4c	3	
4	Suddeutsche Zeitung Magazine	Single page 4c	3	
5	Abenteuer und Reisen	Single page 4c	3	
6	Stern - Gesund leben	Single page 4c	3	
7	TV - ARD	10 spots 30 seconds long Mon-Fri. 7PM- 8PM, during October 2014	10	
8	TV – SAT1	15 spots 30 seconds long Mon-Fri. 8PM-10PM, during October 2014	15	

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	<b>Media</b>	<b>Size/Specification*</b>	<b>No. of insertions</b>	<b>Total Net. Price</b>
	<b>Russia</b>	<b>Travel section for all titles where applicable</b>		<b>Price in Rubles</b>
1	Vokrug Sveta	Full page 4C	4	
3	Otdohni	Full page 4C	4	
4	komersant	1/2 page 4C	4	
5	Vedemosti	1/2 page 4C	4	
6	Afisha Mir	Full page 4C	4	
7	7 days	1/2 page 4C	4	
8	Svoy Business	Full page 4C	4	
9	Turizm i Otdix	Full page 4C	4	
10	TV: STS (Moscow) Perviy ;  5th chanel (st. Peterburg)	30 spots of 30" in each channel Primetime, Mon - Fri	30	
	<b>USA</b>	<b>Travel section for all titles where applicable</b>		<b>Price in USD</b>
1	Times Magazine – Weekday Metro	Full page 4C	4	
2	NY Observer	Full page 4C	4	
3	Travel & Leisure	Full page 4C	4	
5	The New-Yorker	Full page 4C	2	
5	Conde Nast Traveler	Full page 4C	4	
6	Departures	Full page 4C	4	
7	Global Traveler	Full page 4C	4	
8	Elite Traveler	Full page 4C	4	
9	National Geographic	Full page 4C	4	

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	Traveler			
	<b>Media</b>	<b>Size/Specification*</b>	<b>No. of insertions</b>	<b>Total Net. Price</b>
	<b>Italy</b>	<b>Travel section for all titles where applicable</b>		<b>Price in Euros</b>
1	Myself	Full page 4C	4	
2	Dove	Full page 4C	4	
3	Il Messaggero	Junior Page 4c	4	
4	Famiglia Cristiana	Full page 4C	4	
5	Oggi	Full page 4C	4	
6	Focus	Full page 4C	4	
7	Traveller	Full page 4C	4	
8	National Geographic	Full page 4C	4	
9	La Repubblica	Junior Page 4c	4	
10	Il Corriere della Sera	Maxi Quadrotto 4c Dorso Viaggi	4	
	<b>United Kingdom</b>	<b>Travel section for all titles where applicable</b>		<b>Price in GBP</b>
1	Sunday Times Magazine	Full page 4C	5	
2	Es Magazine	Full page 4C	5	
3	Stella (Sunday Telegraph Magazine)	Full page 4C	5	
4	Guardian Weekend Magazine	Full page 4C	5	
5	National Geographic	Full page 4C	5	
6	Travel Trade Gazette	Full page 4C	5	
7	Lonely Planet Magazine	Full page 4C	5	
8	Travel Weekly	Full page 4C	5	
9	Conde Nast Traveller	Full page 4C	5	

**Please sign your name on the bottom of each page of the Financial Bid**

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### **Appendix 4**

#### **Briefs for Media Plans**

Hereafter are 2 client's briefs for 2 separate media campaigns (one in the USA and one in Germany).

Agencies are required to present their answers to these briefs as part of their proposal for this tender, as detailed in **Part E item 1.2.1.**

#### **Brief No. 1. - USA**

<b>Client Name</b>	<b>Israel Ministry of Tourism - North America</b>
<b>Background</b>	<p><b>Each year, 600,000 Americans visit Israel. There are several distinguished motivation for Americans to do this trip:</b></p> <ol style="list-style-type: none"><li><b>1. Religious motivations (either Christian or Jewish)</b></li><li><b>2. Visits to friends and relatives (VFR)</b></li><li><b>3. Tourism - travelers who are interested in Israel from historical and cultural point of view.</b></li></ol> <p><b>There is no validated information regarding the size of each of the above groups, since tourists are not asked upon arrival to Israel for their religion or motivation to come.</b></p>
<b>Campaign objectives</b>	<p><b>The campaign is directed only for those who are likely to come to Israel for tourism purposes.</b></p> <p><b>Campaign Objectives:</b></p> <ol style="list-style-type: none"><li><b>1. To increase incoming tourism to Israel.</b></li><li><b>2. Create and increase awareness to the historical and cultural attractions in Israel.</b></li><li><b>3. Expand the concept of Israel as a likable, inviting and attractive tourist destination.</b></li></ol>

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<b>Targeted Audience</b>	<b>Age 45+ male &amp; female, High Socio economic status and education.</b>
<b>Target Audience</b>	<b>Our audience is savvy, reads the NY Times and current financial papers, likes to travel to new and exciting destinations, enjoys the good life, open minded about new cultures, foreign culinary and new and different experiences. They have a positive attitude towards Israel.</b>
<b>Timing</b>	<b>Launch in October 2014</b>
<b>Geographic Focus</b>	<b>Researches we conducted in the past 2 years indicate that we should focus our campaigns for this audience in New York City and the Tri-State area.</b>
<b>Media Budget</b>	<b>\$2,000,000 (two million USD)</b>

### **Brief No. 2. - Germany**

<b>Client Name</b>	<b>Israel Ministry of Tourism - Germany</b>
<b>Background</b>	<p><b>Each year some 254,000 Germans visit Israel. There are several distinguished motivations to make this trip:</b></p> <ol style="list-style-type: none"><li><b>1. Classical tourism - travelers that are interested in Israel as a holiday destination</b></li><li><b>2. Religious motivations (Mostly Christian)</b></li><li><b>3. Therapeutic and medical reasons</b></li><li><b>4. Visits to friends and relatives (VFR).</b></li></ol> <p><b>There is no validated information regarding the size of each of the above groups, since tourists are not asked upon arrival to Israel for their religion or motivation to come tourism purposes.</b></p> <p><b>Israel is very accessible to the German tourist with 60 weekly direct flights from several German cities (Berlin, Frankfurt, Munich, Cologne, and</b></p>

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	Dusseldorf).
<b>Campaign objectives</b>	<p>The campaign is directed only for those who are likely to come to Israel for Classical tourism purposes</p> <p><b>Campaign Objectives:</b></p> <ol style="list-style-type: none"><li>1. To increase incoming tourism to Israel.</li><li>2. Create and increase awareness to the historical and cultural attractions in Israel.</li><li>3. Expand the concept of Israel as a likable, inviting and attractive tourist destination.</li></ol>
<b>Target Audience</b>	Age 40+ male & female, High Socio economic status and education.
<b>Description of Target Audience</b>	Our audience is inquisitive, looking for active rest-learn new things, deepen their knowledge of diverse subjects and cultures by traveling whilst and enjoying the good life. They are open-minded about new cultures, foreign culinary and new and different experiences. They have a positive attitude towards Israel.
<b>Timing</b>	in OctLaunch in October 2014
<b>Geographic Focus</b>	Bavaria, Nordrhein-Westfalen, Brandenburg/Berlin, Hessen, Baden Wurttemberg
<b>Media Budget</b>	€1,500,000 (one and a half million Euros)

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**Appendix 5**

**Draft Contract**

Drafted and signed in Tel Aviv, Israel, on \_\_\_/ \_\_/ 2014

Between: **The Government of Israel, Ministry of Tourism ("The Ministry")**, represented for the purpose of the present contract by **The Israeli Government Advertising Agency ("LAPAM")**

Address: 9 Ahad Ha'am Street, Tel Aviv, Israel.

Whose authorized signatories are:

Mr. **Gadi Margalit**, , manager, LAPAM

and Mr. **Hemmy Duniza**, vice CFO, LAPAM

(Hereinafter: "**LAPAM**")

And between \_\_\_\_\_

\_\_\_\_\_

Whose authorized signatories are:

\_\_\_\_\_

(Hereinafter: "**The Agency**")

**Whereas** LAPAM, wishes to receive media planning and buying services for the Ministry in order to carry out promotional activities with the aim of enhancing tourism to Israel ;

**And Whereas** LAPAM has published Tender No.25/02/13 "Selection of a Global Media Planning & Buying Agency for the Israeli Ministry of Tourism" (hereinafter "**the Tender**"),

**And Whereas** the Agency has submitted its proposal (Hereinafter: "**The Proposal**") and has been selected as the winner of the tender;

The Tender and the Proposal are attached hereto and listed as **Annex A**

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and **Annex B** accordingly.

**And Whereas** the Agency declares that it has the knowledge, experience, skills, expertise, media planning softwares and technologies, equipment and professional personnel required for the execution of the services;

**And Whereas** LAPAM is interested in engaging the services of the Agency in accordance with the above declarations;

Therefore and in consideration of the parties' mutual obligations under this contract and its annexes, the parties have agreed, declared and stipulated as follows:

### **1. The Services**

1.1. LAPAM, on behalf of the **Ministry** hereby places with the Agency and the Agency undertakes to perform media planning and buying services (hereinafter: "The **Services**"), according to the Tender documents and the agency's financial bid, attached hereto as **Annex A** and **Annex B** forming an inseparable part thereof.

1.2. Notwithstanding the above it is agreed that-

1.2.1. LAPAM has the right, in circumstances when it sees fit, to purchase part of the media directly and independently or via another agent as it sees fit in any market.

1.2.2. LAPAM reserves the right to ask the Agency to engage in media planning and buying on behalf of LAPAM's other clients (government units), under the same terms and procedures specified in this contract.

1.3. The agency will work vis-à-vis LAPAM according to the work procedures specified in **Annex C** to this contract.

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## **2. Fees and prices**

### **2.1 Consideration:**

In consideration for the services rendered by the Agency LAPAM will pay the Agency as follows (hereinafter: "the **Consideration**"):

2.1.1 **Retainer Fee:** LAPAM will pay the Agency a monthly retainer fee of \_\_\_\_\_ throughout the contract term and any "extension term" thereof (as defined in article 12.1 below).

2.1.2 **Percentage of net billings:** LAPAM will pay the Agency 2% (two percent) of net billings of the purchased media.

2.2 It is agreed that the consideration is absolute and final. It will consist only of the above mentioned percentage of net billings and monthly retainer. No additional sum whatsoever shall be paid by LAPAM and/or the Ministry and/or any third party to the agency for the services under this contract during the whole contract term and/or extension terms.

2.3 **Media Prices:** LAPAM will reimburse the Agency for the media costs.

The proposed prices will be valid until the end of 2014 (for print press items). From 2015 onwards, the proposed prices will be adjusted to the inflation rate in each market and the consequent price changes in the publisher's rate cards. The Agency will be allowed to change the price for each item only if the publisher's rate-card had changed, and by the same proportion.

2.4 At LAPAM's request, the agency will supply the rate-cards for the media included in the agency's proposal for any specific media plan.

2.5 LAPAM reserves the right to negotiate media prices with the Agency. All media prices offered by the media agency, including items

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that are not part of the proposal in this tender, will be scrutinized by LAPAM and compared with the official rate-cards of the publishers.

2.6 The media prices in Annex B and all other media prices as proposed by the agency from time to time must cover and include all taxes if applicable.

2.5 To remove any doubt LAPAM will not be liable for payment of Value Added Tax (VAT).

### **3. Invoicing and Payments**

3.1. Invoicing and payment will be carried out on a monthly basis according the procedure laid out in Annex C of this contract.

3.2. All payments will be made directly to the Agency's bank account detail of which are stated below:

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

3.3. LAPAM will pay the approved invoices within 45 (forty five) days after their acceptance in LAPAM's offices.

3.4. Invoices sent to LAPAM must be issued in Euros, USD, or GBP. LAPAM won't pay invoices issued in other currencies.

3.5. Invoices for the retainer fee will be paid on a monthly basis throughout the entire term and extension terms.

### **4. Rights**

All property rights attached to the advertising materials handed over to the Agency belong exclusively to the Government of Israel and LAPAM and the Ministry. It is stipulated that the agency is not entitled to use

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these materials and/or any part of them in any way other than necessary to carry out the services according to this contract.

### **5. Independent Contractor Relationship**

This contract does not constitute the establishment of an employer – employee relationship with the Agency or with anyone employed by the Agency,. To remove any doubt, the contract establishes the relationship of a supplier as an independent contractor providing specified services.

All payments made to the Agency are fees and reimbursements for services provided as specified in this contract; and all right accorded to LAPAM by the provisions of this contract to supervise, approve or not to approve the agencies' services shall not be regarded as creating an employer-employee relationship but shall be regarded as a necessary means to ensure the compliance with this contract.

### **6. Liability Insurance and Claims**

6.1. LAPAM is solely responsible and liable for the information supplied by it to the Agency.

6.2. Subject to the responsibility of LAPAM specified above, the Agency will be solely responsible for its own acts and omissions, as well as for its local agents, employees, representatives etc. in the performance of this contract.

6.3. In the case that any claim or action is lodged against LAPAM and/or the Ministry and/or the Agency, based upon or deriving from the execution of this contract, including for libel, slander, piracy, plagiarism, invasion of privacy infringement of copyright, the party responsible according to article 6.1 or 6.2, respectively will indemnify the other party and hold it harmless with respect to any such claim of action.

6.4. Both parties undertake to inform each other of any information or services given to the other that appear to be false or misleading.

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### **7. Records**

At any time during the term and/or optional term of this contract and upon reasonable notice, LAPAM may examine and take copies of the Agency's files and individual financial records pertaining to LAPAM's advertising under the current contract.

### **8. Confidentiality**

The Agency shall treat any information acquired through the cooperation with LAPAM as strictly confidential. This obligation shall also be imposed on its employees, agents, representatives etc. and shall remain in full force and effect for a period of 3 (three) years following the completion of the Services according to this Agreement.

### **9. Competitive Accounts**

During the term and/or the extension term of this contract, the Agency agrees to inform LAPAM before it accepts any other tourism account for a Southern European or Middle Eastern destination.

### **10. Handling Executive**

Upon signing the present contract, the Agency shall notify LAPAM the name of the account handling executives, through whom all contracts with LAPAM will be maintained. The Agency is allowed to replace the account handling executive only with the consent of LAPAM. Reasonable consent will not be withheld.

### **11. Controversies**

In the event any disputes may arise regarding the interpretation or performance of this contract, such disputes shall be adjudicated under Israeli law in the city of Tel-Aviv and its court will be competent. The parties hereby irrevocably submit to the exclusive jurisdiction of the above mentioned court.

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### **12. Term and Termination**

12.1. This contract will come into force upon signing it by both parties, and will be in effect for 1 (one) year period (Hereinafter: "**The Term**"). LAPAM at its own discretion may extend this contract for 4 (four) additional periods of 1 (one) year each (Hereinafter: "**The Extension Term**"), provided that LAPAM gives written notice to the Agency 60 (sixty) days before the expiry of the Term or any Extension Term of this contract. The total duration of the contract term and extensions will not exceed 5 (five) years altogether.

12.2. Notwithstanding the above, LAPAM has the right to terminate this contract or any extension of it at any time at its own absolute discretion upon 60 (sixty) days prior written notice. Nonetheless, if such termination occurs, LAPAM will still be responsible for paying all media activities outside the 60 (sixty) days period that have already been booked and cannot be cancelled.

12.3. LAPAM reserves the right in cases of force majeure or under exceptional circumstances which seriously affect the effectiveness of the campaigns, to defer or postpone the whole or part of its campaigns.

### **13. Performance Guarantee**

13.1. Upon signing this contract the Agency shall, at its own expense, provide LAPAM with a bank guarantee for the due performance of the contract (hereinafter "**Performance Guarantee**").

13.2. The Performance Guarantee will be an unconditional, irrevocable, and permanent bank guarantee, to be drawn out by a reputable international bank or an Israeli bank), in the amount of €250,000 (two hundred and fifty thousand Euros).

13.3. The Performance Guarantee shall be payable on demand to the benefit of the "**State of Israel, LAPAM - Israeli Government Advertising Agency**".

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13.4. The Performance Guarantee shall remain in effect until 3 (three) months after the expiration of the contract term.

13.5. Should the Contract Term according to article 12 above be extended, the Agency shall prolong the validity of the Performance Guarantee for an additional period equivalent to the duration of the extended Contract Period and ending 3 (three) months after the extended Contract Period, and in accordance with all the conditions detailed in this Article 13, being effective for the extended period.

13.6. LAPAM is entitled to forfeit or draw upon the Performance Guarantee in the event the Agency defaults materially in its performance of the contract.

### **14. Assignment**

14.1. The Agency shall not, without the prior written consent of LAPAM, assign its rights and obligations under this Agreement, or any part thereof, to another or others, nor shall it sub-let the performance of the Services hereunder to any sub-contractor or sub-company, without such prior written consent.

14.2. LAPAM shall have the right to assign its rights and obligations under this Agreement, in whole or in part, to any Israel Government entity, which LAPAM may, at its sole discretion, appoint for the purposes of this Agreement.

### **15. Representatives of the Parties**

The representative of LAPAM for the purpose of receiving and giving any notice required under this contract is **Shlomo Adiel** or any other official approved by LAPAM and whose appointment has been duly notified to the Agency.

The representative of the Agency for the purpose of any notice required under this contract is \_\_\_\_\_.

### **15. Notices**

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Any notice required under this contract will be in writing and delivered to the other party by hand, e-mail, registered mail or fax to the following addresses:

**LAPAM:** 9 Ahad Ha'am Street, Tel Aviv, 6525101, Israel.

Attn: Shlomo Adiel

Fax: 972-3-5140355

Email: [Shlomo@LAPAM.gov.il](mailto:Shlomo@LAPAM.gov.il)

**The Agency:** \_\_\_\_\_  
\_\_\_\_\_

**16. Changes**

Any change in this contract and/or its annexes will not be valid unless done in writing and signed by both parties.

**In witness thereof, the parties sign this agreement:**

\_\_\_\_\_

\_\_\_\_\_  
**LAPAM**

\_\_\_\_\_  
**The Agency**

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### **Annex C: Working Stages and Procedures**

The selected agency will work vis-à-vis LAPAM according to the following procedures:

#### **Media Plan**

1. For each campaign LAPAM will send the Agency a written brief. The brief would include the media-buying budget, the desired period of activity, the target audience, and other relevant information and/or instructions. LAPAM would then ask the agency to prepare a media plan.
2. Each media plan proposed by the agency should include relevant information as to the plan "rationale"- circulation data, target audience, predicted GRP, TRP, etc. The Agency will also deliver relevant data pertaining the market and the competitors (market size, media consumption in market, 'competitors' (as defined by LAPAM) spent, market & competitors' spent split by media, etc.)
3. The media plan must be approved by both LAPAM and the Ministry.
4. During the campaign, the Agency will inform LAPAM of any changes in the media plan and will send LAPAM a revised media plan with no delay.

#### **Work Order**

5. After approving the media plan, LAPAM would issue a signed Work Order and e-mail it to the agency.
6. Only after receiving a signed Work Order, shall the agency engage media buying for LAPAM.

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### **Invoicing and Payment**

7. Payment to overseas suppliers will be made on a monthly basis. Once a month the Agency will send invoices for the services which have been performed in the passing month.

The invoices will cover the services that have been performed during the previous month, and will include the following:

1. Retainer Fee.
  2. Media purchasing costs.
  3. 2% Net Billing of media purchasing.
8. Invoices must be submitted with copies of the vendors' invoices attached. Agency's invoices should be sent **by post** to LAPAM's offices in Tel Aviv. LAPAM must receive **original** copies of the invoices. E-mailed invoices would not suffice. Invoices should reach LAPAM's offices no later than the 25<sup>th</sup> (twenty fifth) of each month, in order to make it in time for the monthly wire. LAPAM will pay invoices for completed work within 45 (forty five) days after they're received by LAPAM.
  9. Submissions for payment should include, alongside with copies of the vendors' invoices, the following:
    - a) Print: the media rate card, original media tear sheets;
    - b) Radio or Online: invoicing should include a complete list of hits /radio spots/impressions/clicks (including days/day parts).
    - d) Outdoor: Invoicing should include number of placements, locations, dates or periods of placements.

### **Campaign Summary Report**

10. The agency will deliver LAPAM a campaign summary report for each campaign. The report should include information about the media reach & campaign success evaluation and analyses.