



State of Israel



Ministry of the Interior  
Population, Immigration and Border Authority

**Tender No. 123/2010 for the supply of inlays for  
Biometric Travel Documents**

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# **A.Introduction**

## **1. Request for Proposals**

The Population, Immigration and Border Authority of the Ministry of the Interior (hereinafter: the "**Authority**") invites Respondents who comply with the requirements of this tender, to submit their proposals for the supply of inlays to be incorporated into biometric travel documents issued by the State of Israel, as stipulated in the tender documents.

## **2. Background**

2.1. Israel's Biometric Identification Law, 5769 – 2009 (hereinafter - the "**Law**") regulates the integration of biometric data in travel documents (and identity cards) in order to ensure the authenticity of these documents and prevent the use of forged documents or false identities.

2.2. This Law provides that the regulations be effected in stages. Inter alia, the Law establishes a trial period of two (2) years, commencing on the date to be established by the Minister of the Interior (subject to the necessary authorizations by law) and published by a ministerial order. During this period, which can be extended for a further two years, the Law will apply only to those residents who agree to be included in a central biometric database established by the Law, without derogating from the existing rights of those residents who do not agree to be included. This means that during the trial period, those persons entitled to possess travel documents can choose between the **new travel documents containing an electronic chip** (and **who will then be included in the biometric database**), or the **existing travel documents** (which do not contain a chip or biometric data). At the end of the trial period a decision will be made as to the future application of the law regarding the biometric database.

2.3. Concurrent with the purchase of inlays from the winner of this tender, the Authority will purchase (in accordance with Mandatory Tenders Law, 5752 – 1992 and its Regulations) additional components and services as will be required for establishing a production facility for issuing travel documents, and for its ongoing operation.

2.4. Respondents, please note:

- 2.4.1. Israeli travel documents are valid for a period of ten (10) years.
- 2.4.2. The data page in the travel documents will be a paper data page; the inlay component will be incorporated into the cover of the passport, with the chip and antenna **in the back cover** (as consistent with the Hebrew language, which is written right-to-left, opposite of English). Please see the movie of a sample Israeli passport (available on the website) and the schematic in appendix J).

### 3. **Definitions**

The following terms shall bear the meanings appearing by their side:

- 3.1. **“Purchaser”** or **“Authority”** – The Population, Immigration and Border Authority of the Ministry of the Interior;
- 3.2. **“Tender Committee”** – Tender committee of the Authority;
- 3.3. **“Travel Documents”** – Passports or Travel Documents as defined by the (Israeli) Passport Law 5712 –1952;
- 3.4. **“Inlay”** or **the “Product”** - Hardware including a substrate with an antenna and containing (in any type of packaging) an E-Passport chip and a preloaded operating system;
- 3.5. **“Middleware”** – Dedicated software for embedding personal data in the chip (personalization), preparing the chip for use and reading the chip, and / or an SDK (Software Development Kit) or an established method for integrating this middleware in the issuing infrastructure;
- 3.6. **ICAO** – International Civil Aviation Organization;
- 3.7. **“Production Batch”** – A quantity of individual product units manufactured in a single run;
- 3.8. **“AQL”** (Acceptable Quality Level – measure of reliability of the product) – the percentage of defective components in each production batch, on the basis of standard sample sizes, the deviation from which will lead to the rejection of the entire production batch.
- 3.9. **“Storage Time”** – A condition in the warranty offered by Respondent, according to which the term of warranty commences upon the occurrence of one of the following:

- 3.9.1. Incorporation of the product into the travel document;
  - 3.9.2. Following a period of time (proposed by Respondent) from receipt of the product by the Purchaser (hereinafter - **Maximum Storage Time**).
- 3.10. **“Means of Control”** – in a corporation, any of the following:
- 3.10.1. The right to vote at the general assembly of a company or at an equivalent meeting of another entity;
  - 3.10.2. The right to appoint a director or General Manager in an entity;
  - 3.10.3. The right to participate in the distribution of profits of the corporation;
  - 3.10.4. The right to participate in the surplus assets of an entity at liquidation after its liabilities are discharged;
- 3.11. **“Control”** – 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 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;
- 3.11.1. 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;

#### 4. **Substance of the Contract**

- 4.1. The winner of the tender will supply the State of Israel with inlays for its travel documents, as well as the required middleware;
- 4.2. The term of warranty for the inlay component will be at least one year. The warranty will include the replacement of a faulty product with a new one, in accordance with the winning respondent's proposal and as specified in the tender documents;
- 4.3. As part of the agreement, the winning respondent will supply the purchaser with training and support as stipulated in the contract, Appendix I of the tender.

**5. Term of Contract**

- 5.1. The contract is for five (5) years from the initial date of the contract, as stipulated in the Contract, Appendix I of the tender (hereinafter - **Original Contractual Term**).
- 5.2. The Authority will have an exclusive option to extend the contract for two additional terms of 24 months each, for a total aggregate of nine (9) years (including the Original Contractual Term).

**6. Quantities and Deliveries**

- 6.1. Purchaser shall purchase at least three million (3,000,000) inlay units during the Original Contractual Term.
- 6.2. Respondents please note: According to the contract terms, the supplier (the winning respondent) is required to supply the Authority with at least 100,000 units, sixty-five (65) days from the signing of the contract (subject to final approval of the product by Purchaser); and must also supply an additional two hundred thousand (200,000) units of the product no later than ninety (90) days from the signing of the contract. Subsequently, product deliveries will be in accordance with advance orders made by Purchaser as contemplated by the contract, Appendix I of the tender.

**7. Industrial Cooperation and Preference for Israeli Products**

- 7.1. Respondents are directed to the provisions of Mandatory Tenders Regulations (Mandatory Industrial Cooperation), 5767 - 2007, and finance and economic regulations by the Accountant General in the Ministry of Finance, regarding industrial cooperation by a foreign

supplier. Respondents are directed to section 16 of the tender, stipulating that the submission of a commitment for industrial cooperation as defined in Appendix H of the tender is a prerequisite for participation in the tender.

- 7.2. Israeli manufacturers may receive preference by law, and 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.**

## **8. Tender Process**

- 8.1. The tender will proceed in three main phases:
- 8.1.1. **First phase:** Respondents and their respective proposed products 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;
- 8.1.2. **Second phase:** Tender Committee will grade Respondent Proposals that have qualified as compliant with the threshold criteria (“**Qualified Respondents**”), by parameters of quality and price, as contemplated by sections 28 - 37;
- 8.1.3. **Third phase:** Qualified Respondents will be rated by the Tender Committee according to a weighted score that will be calculated based on quality and price parameters. The Respondent whose proposal receives the highest score will be awarded the tender.

## **9. Tender Schedule**

- 9.1. Below is the schedule for the tender process:
- 9.1.1. Final date for submission of requests for clarifications: July 8, 2010;
- 9.1.2. Final registration date: July 8, 2010;
- 9.1.3. Final date for receipt of Authority's answers to Respondents' questions: July 18, 2010;
- 9.1.4. Final date for submission of proposal: August 30, 2010.

- 9.2. The Tender Committee may modify 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 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 38.2.

## **10. Tender Documents**

Tender documents are:

- 10.1. Newspaper advertisement inviting proposals to the tender;
- 10.2. The tender inclusive of its appendices, as listed below:
  - 10.2.1. Appendix A – Technical Requirements;
  - 10.2.2. Appendix B – Tests granting quality points;
  - 10.2.3. Appendix C – Proposal form;
  - 10.2.4. Appendix C1 – Monetary proposal form;
  - 10.2.5. Appendix D – Technical Specifications;
  - 10.2.6. Appendix E – Affidavit as required by section 14.1 of the tender;
  - 10.2.7. Appendix F - Affidavit as required by section 14.2of the tender;
  - 10.2.8. Appendix G – Affidavit regarding conflict of interest;
  - 10.2.9. Appendix H –Industrial Cooperation Undertaking;
  - 10.2.10. Appendix I – Contract;
    - 10.2.10.1. Schedule (1) of the contract – Timetable;
    - 10.2.10.2. Schedule (2) of the contract – Performance bond;
    - 10.2.10.3. Schedule (3) of the contract – Order form;
    - 10.2.10.4. Schedule (4) of the contract – Request for Personal Security Clearance;
    - 10.2.10.5. Schedule (5) of the contract – Supplier undertaking of confidentiality;
    - 10.2.10.6. Schedule (6) of the contract – Supplier’s representative undertaking of confidentiality;
  - 10.2.11. Appendix J of the tender – Schematic Diagram;
  - 10.2.12. Appendix K of the tender – List of consultants;
  - 10.2.13. Appendix L of the tender – Registration form;

## **B. Threshold conditions**

11. Respondents in compliance – at the time of submission of the proposal – with the terms set forth in sections 12 - 25, are permitted to participate in the tender.
  - 11.1. 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 25 of the tender.
  - 11.2. A respondent may not attribute data from another corporation to itself, except in cases where it has expressly been permitted.
  - 11.3. A corporation with (100%) absolute and unrestricted control over another corporation shall be deemed the same corporation, subject to submission by the Respondent, of documentation indicating the above, from the relevant registry.

### **12. Form of Incorporation of Respondent**

- 12.1. As a prerequisite to participation in the tender, Respondent must, at the time of submission of the proposal, be duly incorporated in a country that maintains diplomatic relations with the State of Israel.
  - 12.1.1. 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.
  - 12.1.2. It is hereto agreed that the Israeli Security Agency (ISA) shall be the sole determining authority deciding 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 is considered final, and cannot be appealed.
- 12.2. Respondent must append to the proposal form, Appendix C of the tender:
  - 12.2.1. Certification of registration of the corporation from the relevant registry, duly certified by apostille;

- 12.2.2. Attorney certification regarding the Respondent's authorized signatories;
- 12.2.3. Affidavit regarding the particulars of the holders of control in the corporation including their place of incorporation and residency, all certified by the corporation's auditor.

**13. Registration and Receipt of an I.D. Number**

- 13.1. As a precondition to participation in the tender Respondent must complete and submit the registration form, appended as Appendix L of the tender, and receive an identification number, as stipulated by section 38.2 and herein.
- 13.2. Registration may be done solely by electronic mail, as stipulated in section 38.2, until the date of **July 8, 2010**. Purchaser will send registered Respondents confirmation of registration; such confirmation serves as evidence of registration to the tender, for the Respondent.
- 13.3. Confirmation of registration must be attached to the proposal form.

**14. Required Affidavits**

- 14.1. As a prerequisite to participation on the tender, Respondent must attach to the proposal form an affidavit certified by an attorney, in the format set forth in Appendix E of the tender, attesting to:
  - 14.1.1. Accuracy of the details in the proposal;
  - 14.1.2. Use of original software only;
  - 14.1.3. Affidavit stating that as of the date of submission of the proposal, 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 attached to the tender, or by law;
  - 14.1.4. Affidavit stating that Respondent has read, understands and consents to all the tender requirements.
- 14.2. As a prerequisite to participation in the tender, Respondent must attach an affidavit to the proposal form (as set forth in Appendix F of the tender) affirming that Respondent has title to, or has rights to use,

distribute and sell, all the rights (including intellectual property rights) to the tools, methods, and components to be used in the execution of the proposal, so that the herewithin shall be in effect at all times:

- 14.2.1. No impediment or restriction of any kind whatsoever exists on Respondent, in respect to the use of the product and the accompanying components, in accordance with the terms of the tender;
  - 14.2.2. Respondent is able to meet all of Respondent's commitments pursuant to the contract and the proposal in their entirety, and in a timely manner;
  - 14.2.3. Entering into a contract with Respondent (if awarded the tender) according to the terms of the contract (Appendix I) does not and will not harm or in any manner infringe on third party rights whatsoever including intellectual property of any kind (copyrights, patents, commercial secrets, models, trademarks or others);
  - 14.2.4. No impediment or restriction exists on the transfer of title of the product, its components or companion components, to the Purchaser or its representatives or from the Purchaser to third parties.
- 14.3. The affidavit in section 14.2 (Appendix F of the tender) must list all the components of the proposed product, and whether the rights to each or any of them belong to a third party; and Respondent must attach authorization from the owner of the rights granting Respondent the right to offer each of the aforementioned components as part of the proposal.

**15. Conflict of Interest**

15.1. As a precondition to Respondent's participation in the tender, Respondent, or Respondent's signatories, must not be aware of any issues or matters that could place them in a position which might pose a conflict of interest in the delivery of the product discussed in this tender.

15.1.1. Respondent must attach an affidavit to the proposal as set forth in Appendix G of the tender regarding the aforementioned lack of conflict.

**16. Industrial cooperation undertaking**

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

**17. Experience in inlay production**

17.1. **As a precondition to participation in the tender**, Respondent must have delivered at least three million (3,000,000) inlays for E–Passport between the years 2007 and the date on which the proposal is submitted, provided that for each such inlay delivered one or more of the following criteria has been fully met:

17.1.1. The inlay supplied by Respondent contained a chip or operating system of its own manufacture;

17.1.2. The supplied inlay was packaged by Respondent into a finished product (including the integration of the chip, the operating system, the antenna and packaging these into one finished product.)

17.2. Respondent must specify in the proposal form, Appendix C of the tender, how many inlays Respondent delivered each year, during the years 2007 – 2010 (inclusive); to which countries the units were delivered, and Respondent’s specific and detailed role in the production of the inlay (chip manufacture, operating system, or packaging a finished product);

17.2.1. A declaration signed by Respondent’s auditor indicating the scope of the total manufacture and supply of inlays for e-Passport during this period, broken down by years and by countries, must be appended to the proposal form.

17.2.2. The following provisions shall apply if Respondent is unable to name some of the countries where the products were supplied or the annual quantities, due to non-disclosure agreements:

17.2.2.1. The proposal form must include a statement that the aforementioned non-disclosure agreements prevent disclosure of the name of the country or the annual quantities.

- 17.2.2.1.1. If the annual quantities cannot be disclosed, Respondent must specify the accumulative quantities listed in section 17.2 above with regard to that country;
  - 17.2.2.2. The proposal form must be accompanied by a certified copy of said non-disclosure clause with any identifying data removed.
  - 17.2.2.3. The form must be accompanied by a certificate from an accountant in one of the top ten accounting firms (as rated by ACT Top 100 Firms) regarding the accuracy of the enclosed data and the fact that Respondent is bound by a non-disclosure agreement;
- 17.3. Any prior experience in producing inlays for e-Passport, even if they differ from the inlay offered as part of this tender, can be noted in response to this section.
- 17.4. Be advised that projects using inlays other than for e-Passport (such as transportation smart cards or national identity cards) **will not be considered reference projects for the purposes of this section.**

**18. Reference Projects for the inlay**

- 18.1. **As a precondition to participation in the tender, the inlay proposed in this tender** must have previously and successfully been integrated into at least three (3) e-Passport projects internationally, with a total of at least two million (2,000,000) such units successfully delivered from 2007 until the date of submission of the proposal.
  - 18.1.1. **For purposes of this section only:** The proposed inlay - means only the substrate and the antenna, irrespective of the type of chip or operating system embedded in the chip, **provided that the same method of packaging as proposed was used;**
  - 18.1.2. Be advised that projects using inlays other than for E-Passports (for example transportation smartcards or national

identity cards) will not be considered reference projects for purposes of this section.

18.2. Respondent must list all the following data on the proposal form (appendix C to the tender), for each project:

18.2.1. Name of Country for which the inlay was integrated into its travel documents.

18.2.2. Total target quantity of inlays, of the project; the actual quantity ordered from Respondent or from Respondent's subcontractors; and the actual quantity delivered as of the date of submission of the proposal, broken down by years and by states;

18.2.3. Name, title and contact information of customer contact person;

18.2.4. The following provisions shall apply if Respondent or its subcontractors are unable to name some of the countries where the products were supplied or the annual quantities, due to non-disclosure agreements:

18.2.4.1. The proposal form must include a statement that the aforementioned non-disclosure agreements prevent disclosure of the name of the country or the annual quantities.

18.2.4.1.1. If the annual quantities cannot be disclosed, Respondent must specify the accumulative quantities listed in section 18.2 above with regard to that country;

18.2.4.2. The proposal form must be accompanied by a certified copy of said non-disclosure clause with any identifying data removed.

18.2.4.3. The form must be accompanied by a certificate from an accountant in one of the top ten accounting firms (as rated by ACT Top 100 Firms) regarding the accuracy of the enclosed data and

the fact that Respondent or its subcontractors are bound by a non-disclosure agreement;

- 18.3. A certificate by the auditor of the Respondent or of the Subcontractor on its behalf must accompany the proposal form, attesting to the quantities that have been produced and supplied, of the inlay that is being offered for the e-Passport, during the aforementioned period, and broken down by country.

**19. Reference projects for the chip**

- 19.1. **As a precondition to participation in the tender**, the proposed chip (as a component of the inlay), must have been previously integrated into at least five (5) E-Passport projects worldwide, with a total delivered quantity of at least ten million (10,000,000) units, between the year 2007 and the date of submission of the proposal.

19.1.1. Projects other than E-Passport projects that involve the use of the proposed chip (such as transportation smartcard projects or national identity card projects) cannot be listed as reference projects.

19.1.2. Reference E-Passport Projects in which the proposed chip was integrated into an inlay different from the proposed inlay **may be** listed as reference projects.

- 19.2. Respondent must list all the following data on the proposal form (appendix C to the tender), for each project:

19.2.1. Name of Country for which the chip was integrated into its travel documents.

19.2.2. Total target quantity of chips for the project; the actual quantity ordered from Respondent or from Respondent's subcontractors; and the actual quantity delivered as of the date of submission of the proposal, broken down by years and by states;

19.2.3. Name, title and contact information of customer contact person;

19.2.4. The following provisions shall apply if Respondent or its subcontractors are unable to name some of the countries

where the chips were supplied or the annual quantities, due to non-disclosure agreements:

19.2.4.1. The proposal form must include a statement that the aforementioned non-disclosure agreements prevent disclosure of the name of the country or the annual quantities.

19.2.4.1.1. If the annual quantities cannot be disclosed, Respondent must specify the accumulative quantities listed in section 19.2 above with regard to that country;

19.2.4.2. The proposal form must be accompanied by a certified copy of said non-disclosure clause with any identifying data removed.

19.2.4.3. The form must be accompanied by a certificate from an accountant in one of the top ten accounting firms (as rated by ACT Top 100 Firms) regarding the accuracy of the enclosed data and the fact that Respondent or its subcontractors are bound by a non-disclosure agreement;

19.3. A certificate by the auditor of the Respondent or of the subcontractor on its behalf must accompany the proposal form, attesting to the quantities that have been produced and supplied, of the chip that is being offered for the e-Passport, during the aforementioned period, and broken down by country.

## **20. Reference Projects for the Operating System**

20.1. **As a precondition to participation in the tender**, the operating system in the proposed product (or the preceding version) must be integrated in at least five (5) e-Passport projects around the world, with a total quantity of at least ten million (10,000,000) units, between the year 2007 and submission of the proposal.

20.1.1. Projects other than E-Passport projects using the operating system (such as transportation smartcard projects or national identity card projects) cannot be listed as reference projects.

- 20.1.2. Reference E-Passport Projects in which the proposed operating system was integrated into an inlay different from the proposed inlay **may be** listed as reference projects.
- 20.2. Respondent must list all the following data on the proposal form (appendix C to the tender), for each project:
  - 20.2.1. Name of Country for which the operating system was integrated into its travel documents.
  - 20.2.2. Total target quantity of operating system licenses for the project; the actual quantity ordered from Respondent or from Respondent's subcontractors; and the actual quantity delivered as of the date of submission of the proposal, broken down by years and by states;
  - 20.2.3. Name, title and contact information of customer contact person;
  - 20.2.4. The following provisions shall apply if Respondent or its subcontractors are unable to name some of the countries where the operating system licenses were supplied or the annual quantities, due to non-disclosure agreements:
    - 20.2.4.1. The proposal form must include a statement that the aforementioned non-disclosure agreements prevent disclosure of the name of the country or the annual quantities.
      - 20.2.4.1.1. If the annual quantities cannot be disclosed, Respondent must specify the accumulative quantities listed in section 20.2 above with regard to that country;
    - 20.2.4.2. The proposal form must be accompanied by a certified copy of said non-disclosure clause with any identifying data removed.
    - 20.2.4.3. The form must be accompanied by a certificate from an accountant in one of the top ten accounting firms (as rated by ACT Top 100 Firms) regarding the accuracy of the enclosed data and

the fact that Respondent or its subcontractors are bound by a non-disclosure agreement;

20.3. A certificate by the auditor of the Respondent or of the subcontractor on its behalf must accompany the proposal form, attesting to the quantities that have been produced and supplied, of the operating system licenses that are being offered for the e-Passport, during the aforementioned period, and broken down by country.

21. **Test Plan**

21.1. As a precondition to participation in the tender, Respondent must append to the proposal form, Appendix C of the tender, a proposed test plan, for testing during (a) production; and (b) at delivery, of the product.

21.2. To dispel any doubt, it is hereby clarified that pursuant to the contract, Appendix I of the tender, the inlay supplier (the winning respondent) must conduct the tests listed in the proposed Test Plan, in addition to the tests stipulated by the contract.

22. **Commitment to AQL**

22.1. **As a precondition to participation in the tender**, Respondent must guarantee via the proposal form, Appendix C of the tender, that the proposed product will meet an AQL of no more than 0.5%.

22.2. Respondents please note:

22.2.1. The supplier (winning respondent) must conduct at minimum the tests detailed in the contract, Appendix I of the tender, as well as the tests listed in the winning respondent's test plan, as requested in section 21 above.

22.2.2. Proposals that will commit to comply with AQL lower than 0.5%, will receive additional points, during the grading phase, as detailed in section 32 of the tender.

23. **Technical requirements**

A precondition to participation in the tender is that the various components comprising the inlay, as well as the product in its entirety, will comply with the technical requirements as detailed in Appendix A of the tender ("Technical requirements").

24. **Submission of samples**

24.1. As a threshold condition to the participation in the tender, Respondent must submit, together with the proposal, at least one thousand (1,000) units of inlays as described below:

24.1.1. At least ten (10) inlays of the proposed product (including the proposed chip and the operating system), containing sample information according to a data set that the Purchaser will provide the respondents upon confirmation of registration.

24.1.2. At least four hundred and ninety (490) units of inlays containing an antenna and a substrate that are identical to the product offered, independent of the type of chip or operating system used, **provided that the same method of packaging is used**. These samples **will** include a thinner area at the hinge, as detailed in the schematic drawing appendix J. These samples will allow the Purchaser to evaluate the integration of the product into the booklet, and to perform durability tests, with the only required parameter being the active state of the chip (response to SELECT/RESET - ATS /ATR).

24.1.3. At least five hundred (500) units of inlays containing an antenna and a substrate that are identical to the product offered, independent of the type of chip or operating system used, **provided that the same method of packaging is used**. These samples **will not** include a thinner area at the hinge, as detailed in the schematic drawing appendix J. These samples will allow the Purchaser to evaluate the integration of the product into the booklet, and to perform durability tests, with the only required parameter being the active state of the chip (response to SELECT/RESET - ATS/ ATR).

25. **Subcontractors**

25.1. **As a precondition to participation in the tender**, Respondent's subcontractors (if any) must be in compliance with the requirements stipulated in sections 12 and 15 above.

- 25.1.1. Respondent must attach affidavits/proofs as required in the foregoing sections demonstrating that the subcontractor is in compliance with the above.
- 25.2. **As a precondition to participation in the tender**, Respondent must attach affidavits from the authorized signatories of all of the main subcontractors (if any) as detailed below:
  - 25.2.1. Affidavits specified in sections 14.1 –14.3, mutatis mutandis;
  - 25.2.2. The subcontractor must declare in an affidavit that it will deliver the services and goods for which it is responsible directly to Purchaser, if so requested, and must declare that the agreement between Respondent and subcontractor does not contain any undertaking which would withhold or impair from the commitment of the subcontractor to deliver the services and goods directly to the Purchaser, should the agreement between Purchaser and Respondent be revoked for any reason.

## **C. Criteria for Awarding Tender**

### **26. Rating the Proposals**

- 26.1. Tender Committee will rate proposals that are in compliance with the foregoing qualifications as follows:
  - 26.1.1. **Quality (up to 30 points)** – Tender Committee will grade Qualified Respondents according to the quality standards specified in sections 29 –35. Quality will account for 30% of the final score.
  - 26.1.2. **Price (up to 70 points)** Tender Committee will grade Qualified Respondents according to the price proposed by them as specified in sections 36 -37. Price will account for 70% of the final score.
- 26.2. **Adjusted Score = Points for price + points for quality.**

### **27. Winner of the Tender**

- 27.1. The Qualified Respondent receiving the highest adjusted score will be awarded the tender.

27.2. Lots will be drawn in case of a tie.

### **C1: Grading Quality**

28. Tender Committee will grade Respondents who are in compliance with the forgoing qualifications according to the quality standards specified in sections 29 - 35.

29. **Warranty (up to 7.5 points)**

29.1. Respondent must attach to proposal form, Appendix C of the tender, the warranty to be provided, including limitations of the warranty, mechanism for product replacement, inspection costs (if needed) etc.. The terms of warranty will be scored comparatively, according to the scope of the warranty and the number of limitations and their substance in the proposed warranty. **Respondent which provides Purchaser with the broadest warranty, with the least number of limitations (quantitative and substantive) will receive a score of three and a half (3.5) points.** The other proposals will be graded comparative to this proposal.

29.1.1. NOTE: limitation of liability for storage will not affect the grade.

29.2. Extension of the warranty to include storage time, will receive an additional **half (0.5) point** (further to the points specified in sections 29.1 and 29.3) as follows:

29.2.1. The longest maximum storage time (see section 3.9.2) will receive **one half (0.5) of a point.**

29.2.2. Shorter maximum storage time will be scored according to

the following formula:  $T = \frac{T_n}{T_x} \times \frac{1}{2}$   $T = \frac{T_n}{T_x} \times \frac{1}{2}$  (T – points for Respondent’s maximum proposed storage time;  $T_n$  – the maximum storage time proposed by Respondent (in months);  $T_x$  – the longest proposed maximum storage time of all Suppliers (in months)).

29.3. The proposed price shall include at least a one (1) year warranty for the product (section 36.2.3 of the tender; hereinafter “**Mandatory Warranty Period**”). **A warranty period exceeding the mandatory warranty**

**period can receive up to four (4) points** (in addition to the points specified in sections 29.1 and 29.2), as follows:

29.3.1. The warranty period shall be stated in complete years; an incomplete year will be rounded off **downwards**.

29.3.2. The warranty period may not exceed a ten (10) year period, **inclusive of** the mandatory warranty period. A warranty period exceeding 10 years shall be deemed by the tender Committee, for purposes of rating, as a ten year proposed warranty period.

29.3.3. A proposed price with a warranty period exceeding one year shall be awarded points according to the following formula:

**$P = 0.035 \times (x + 1)^2$**   $P = 0.04 \times (x + 1)^2$  (where P – the points in this section, x – the **additional** years of warranty over the mandatory warranty period, where x is a whole and positive number, greater than one (1) and smaller or equal to nine (9)).

29.3.4. Note: the warranty period does not include the proposed maximum storage time.

29.4. To dispel any doubt, a warranty failing to offer an efficient mechanism for replacement of a damaged product shall be deemed a "deficient" warranty by the Purchaser and shall not be awarded any points.

29.4.1. A winning respondent proposing a "deficient" warranty will be considered, for purposes of the contract, Appendix I of the tender, as having proposed an unlimited one year warranty.

**30. Additional reference projects (up to 7 points)**

30.1. A Respondent proposing inlays that comply with the requirements specified in section 18 of the tender, and which were integrated in projects with over two million (2,000,000) units, will be awarded points as follows:

30.1.1. Inlays integrated in projects with a total volume of over two million (2,000,000) units but under five million (5,000,000) units – **half a point (0.5)**;

- 30.1.2. Inlays integrated in projects with a total volume of over five million (5,000,000) units but under fifteen million (15,000,000) units – **one and a half points (1.5)**;
- 30.1.3. Inlays integrated in projects with a total volume of fifteen million (15,000,000) units or more – **two (2) points**.
- 30.2. A proposed product that includes a chip that was integrated in projects as stipulated in section 19 of the tender, of over ten million (10,000,000) units, will be awarded points as follows:
  - 30.2.1. A chip integrated in more than ten million (10,000,000) units but under forty million (40,000,000) units – **one (1) point**;
  - 30.2.2. A chip integrated in projects of forty million (40,000,000) units or more – **two (2) points**;
- 30.3. A Respondent who offers a product that includes an operating system in compliance with the terms specified in section 20 of the tender, that was integrated in more than twenty million (20,000,000) units, will be awarded **three (3) points**.

**31. Upgrading the Operating System (2 points)**

- 31.1. Inlays with an operating system that accepts patches, so that Purchaser can store inventory for long periods of time and still remain in compliance with changes to the standards, to improve performance or enable the repair of malfunctions will be awarded **two (2) points**.
- 31.2. Respondent must specify the method for upgrading the system on the proposal form.

**32. Improved Level of Reliability (up to 5 points)**

- 32.1. A proposal committing to an AQL lower than the threshold conditions (section 21 of the tender) will be awarded the following points:
  - 32.1.1. No points will be awarded for AQL = 0.5%.
  - 32.1.2. For an AQL lower than 0.5% and higher than 0.1% - points will be awarded according to the following formula:  

$$P = 0. \frac{4}{\square Q L}$$
 (where P – the points in this section, AQL is the offered AQL, in a decimal fraction (for example, AQL=0.2% will be entered into the formula as AQL=0.2));

- 32.1.3. AQL lower than 0.1% - will be awarded five (5) points.
- 32.2. AQL will be quoted in tenths of a percent; a proposal quoting a number not in tenths of a percent will be rounded **up** to the nearest tenth of a percent.

**33. Durability of Proposed Product (up to 3.75% points)**

- 33.1. Respondent who conducts durability testing as specified in section 3.4 of Appendix A to the tender, through an independent entity will be awarded additional points as follows:
  - 33.1.1. Durability tests performed by a **customer** listed by the Respondent in response to section 18, will award the Respondent **0.75 points**;
    - 33.1.1.1. Respondent must list the tests performed by the customer in an attachment to the technical specifications and must specify the customer's name and data about the method used in the test.
  - 33.1.2. Durability tests conducted in a certified and independent laboratory will award Respondent **1.25 points**.
    - 33.1.2.1. Tests performed in the laboratory must be listed in an attachment to the technical specifications along with the details of the laboratory.
  - 33.1.3. Respondent in compliance with sections 33.1.1 and 33.1.2 will be awarded points only for section 33.1.2.
- 33.2. In addition to section 33.1, Respondent performing more stringent testing than contemplated by section 3.4 of Appendix A of the tender will be awarded additional points as detailed below:
  - 33.2.1. Performance of the tests as detailed in Appendix B of the tender – **1.5 points**;
  - 33.2.2. Respondent who performs more stringent testing than those detailed in Appendix B of the tender will be awarded **no less than 1.5 points and no more than 2.5 points**. The evaluation of the test will be performed by two (2) examiners appointed by Purchaser, who will grade the test

comparatively, based on criteria of the more stringent test, the nature and level of difficulty that the product withstood.

33.2.3. Respondent entitled to points under section 33.2.2 will not be awarded points for section 33.2.1.

34. **Reading speed (up to 3.75 points)**

34.1. A respondent proposing an inlay that can be read faster than specified in section 5.11.2 of the Technical requirements, Appendix A of the tender, will be awarded points as follows (according to the best performance):

34.1.1. Total time for reading a fixed set of data, including Chip Authentication, does not exceed three (3) seconds – **one (1) point;**

34.1.2. Total time for reading a fixed set of data, including Chip Authentication, does not exceed two and one half (2.5) seconds – **three (3) points;**

34.1.3. Total time for reading a fixed set of data, including Chip Authentication, does not exceed two (2) seconds – **three and three quarters (3.75) points;**

35. **SDK Interface / Middleware (one point)**

35.1. A respondent offering web-service based interface to the middleware and SDK tools, enabling the automation (with a SOAP implementation) and easy integration of this middleware in the IT system of the issuing centers, will be awarded **one (1) point.**

35.1.1. Respondent will list the type of interface proposed on the technical data form.

35.1.2. Respondents please note the instructions in sections 6.2 and 7.2 in the technical requirements, Appendix A of the tender.

C2: **Price Quote**

36. **Price Quote**

36.1. The respondent will list the price offered for a single inlay on the price offer form, Appendix C1 of the tender. The price offer form must be

submitted in a separate sealed envelope (“**Proposal Envelope**”) as detailed in section 41.2.

- 36.2. The price of a single Inlay shall contain, in addition to the product itself, all of the services and components detailed below (at no additional cost):
  - 36.2.1. Middleware including a license for installation in four locations (the main issuing center, the secondary issuing center and two integration sites);
  - 36.2.2. Maintenance of the middleware, ongoing maintenance for the use of the software and software updates;
  - 36.2.3. Professional support by electronic mail or by telephone (per the Purchaser’s request) as well as professional training and support for fifty (50) work days (up to twelve (12) on site service visits to the issuing or warehousing facility in Israel), as stipulated by the contract, Appendix I of the tender.
  - 36.2.4. Warranty for the product for at least one year after delivery.
    - 36.2.4.1. Terms of warranty (including storage time) specified by Respondent in response to section 29.1, will be binding in the event Respondent is awarded the tender, and will be supplied at no extra cost.
    - 36.2.4.2. If the Respondent proposed a warranty period exceeding one year or storage time, the price quote will include the warranty period or storage time detailed in his proposal (see section 29.2 - a longer warranty period may be proposed earning additional points).
    - 36.2.4.3. Additional instructions regarding the scope of the warranty and its terms are detailed in the contract, Appendix I of the tender.
  - 36.2.5. The proposed price will include all necessary costs (direct and indirect) to deliver the product contemplated by this tender from Respondent’s facilities to the issuing or storage

centers in Israel (per the Purchaser's instructions), including all of the taxes and levies (import taxes, duty and purchase tax etc.), transport costs, storage (until Purchaser's facilities), release from the port, transport and storage in Israel (not at Purchaser's facilities), as well as related bonds and insurances.

- 36.3. Notwithstanding the above, the price quote will not include VAT.
- 36.4. To dispel any doubt, the proposed inlay will be delivered as a finished product, and will include the hardware and the operating system.
- 36.5. Respondents please note, according to the contract, Appendix I to the tender, the Authority will pay the supplier (winning respondent) if necessary:
  - 36.5.1. One thousand (1,000) Euros for every day of professional training (actual work days) needed that exceeds the number of days in the price quote, as stipulated by the contract, Appendix I of the tender;
  - 36.5.2. One thousand (1,000) Euros for each visit to the Authority's facility, upon Authority's request, beyond the visits included in the quote as specified in the contract, Appendix I to the tender;
- 36.6. Respondent please note: Upon signing the contract, the Supplier (winning respondent) will notify the Purchaser if he desires to receive payments in Euros, or wishes to convert its offer to New Israeli Shekels according to the representative exchange rate on the day the contract is signed. Payment of the consideration due to the supplier as well as payments owed by the supplier to the Purchaser will be executed according to the aforementioned preference, as contemplated by the contract, Appendix I of the tender.

37. **Rating the Price Quote ("P")**

The Respondent submitting the lowest proposal ("P<sub>x</sub>") will receive the maximum score (70 points). Respondents who offer higher proposals will be

awarded points according to the following formula:  $P = \frac{P_x}{P_n} \times 70$

(P<sub>x</sub> – the lowest price; P<sub>n</sub> – the price offered; P – points for price).

## **D. The Tender Process**

### **38. Reviewing Tender Documents and Assignment of an ID number**

- 38.1. The tender documents are posted on the Ministry's website [www.pnim.gov.il/michrazim](http://www.pnim.gov.il/michrazim) (hereinafter – **the website**).
- 38.2. The Respondent must register for the tender by completing and sending the registration form, Appendix L of the tender, by electronic mail, to Mr. Nissim Eliasaf, at [inlay@mail.gov.il](mailto:inlay@mail.gov.il), by the date of July 8, 2010. A Respondent shall be considered as having registered only after receiving confirmation from the Authority of the registration and assigned an identifying number that will serve to identify the Respondent throughout the stages of the tender. **Registration for the tender is a precondition for participation in the tender.**
- 38.2.1. 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.
- 38.3. Respondent will be 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.
- 38.4. Note: the registration process does not impose any obligation on the respondent, including a commitment to participate in the tender.

### **39. Cost of Participation in the Tender**

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 a declaration by Respondent that Respondent is aware that all of the 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 expenses.

### **40. Clarifications**

- 40.1. From the date the tender is published in the newspapers and on the internet until the date of July 8, 2010, **any person** may contact the Authority only in writing (in English) using a PDF file that permits the

copying of text, and 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.

- 40.2. The applicant should specify the number of section he refers to in his request to clarification, his tender reference number, his name, address and a telephone contact number, an electronic mail address and an address for the response.
- 40.3. The Tender Committee does not commit to respond to all requests.
- 40.4. The Tender Committee does not commit to respond to a request received after the date of July 8, 2010.
- 40.5. The Tender Committee will respond to requests until the date of July 18, 2010. Responses shall be made without revealing the name of the applicant and insofar as possible without revealing the content of the request. The responses will be provided to all the applicants who registered for the tender through the registration form, Appendix L of the tender, and will be published on the Authority's website. The responsibility to be informed of responses to the requests for clarification lies on the Respondents themselves; and 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 its website.
- 40.6. The responses to the requests for clarification will serve as an integral part of the tender documents.
- 40.7. 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 web site.

41. **Structure of the Proposal**

- 41.1. The proposal must be submitted through the form attached as Appendix C to the tender and through the technical specifications attached as Appendix D to the tender (hereinafter – **Proposal forms**); the Respondent will provide complete and accurate information on the forms.

- 41.1.1. In any instance of conflict between the version submitted by Respondent and the version published by the Purchaser on the website, the version published by the Purchaser will prevail.
- 41.2. The Respondent will differentiate between the proposal form, the technical specifications and the price quote and each will be submitted in a separate sealed envelope.
  - 41.2.1. The envelope containing the price quote will be opened only after the Tender Committee completes an evaluation of the participant's compliance with the preconditions and after the quality ranking process. A proposal that does not meet the threshold conditions will not have its price quote envelope opened.
- 41.3. A compact disc (CD/DVD) will be attached to the proposal envelope containing a computerized version of the proposal (without the price quote) in a searchable PDF format. **The Respondent must verify that the contents of the disc are identical to the printed proposal.**
  - 41.3.1. In the event of a discrepancy between the data in the computerized version and the original printed version, the data detailed in the printed version will prevail.
- 41.4. Respondent will attach all of the documents required by the proposal forms and by the provisions of this tender to the proposal, and will mark the section of the proposal form to which it pertains.
- 41.5. Please note that the Tender Committee is not required to consider pages, booklets, discs, presentations etc. that were not expressly requested or if their submission was not expressly permitted.
- 41.6. Documents that Respondent is permitted to attach to the proposal which do not constitute part of the proposal form will be submitted in a separate binder (file or binder) marked in accordance with the relevant section on the proposal form.
- 41.7. Respondent will attach one thousand (1,000) proposed inlays to the proposal, as stipulated in section 24, so that the Purchaser can inspect the product. These inlays will not be returned under any circumstance.

41.8. Respondent will attach to the proposal the version of the device driver that was used in the operating speed test, as stipulated in section 5.11 of the Technical Requirements, Appendix A of the tender.

41.9. The proposal form and the technical specifications 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.

42. **Language of the Proposal**

42.1. The proposal must be submitted in English.

42.2. Documents that are not in English or Hebrew must be translated into these languages, and the original documents must be appended to the translations; in the event of a contradiction between an original document to its translation, the latter shall prevail.

43. **Submission of the Proposal**

43.1. The proposal must be submitted in a signed and sealed envelope with no external identification, following the clarification process, no later than the date of August 30, 2010 at 12:00 (Israel time), at the tender box located on the entrance floor of the Population, Immigration and Border Authority, at 6 Mesilat Yesharim Street, Jerusalem.

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

43.2. The envelope should state "Public tender no. 123/2010 for the supply of inlays for biometric travel documents".

43.3. Each envelope must contain two additional closed envelopes, one containing the price quote and marked "Price Quote" with the name of the Respondent; and an additional envelope that includes the technical specifications and marked "Technical specifications" with the name of the Respondent.

43.4. The proposal must be submitted in five (5) identical copies (including the various attendant documents and appendices). Additionally the Respondent must submit another copy of the proposal **without the information that the Respondent wishes to keep confidential**, as

detailed in section 58.3 of the tender, and mark it as a copy for review by the competition, publishable in its entirety (a total of 6 copies, one of which lacks the details that are considered sensitive).

43.5. The original copy will be marked "Original Copy". Every page in the original copy of the proposal forms must be stamped and signed by the Respondent.

43.6. 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).

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

43.7. The submission of the proposal by the date indicated in section 43.1 above is in the sole responsibility of the Respondent. A late proposal will not be examined by the Tender Committee.

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

43.9. 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.

44. **Documents to Attach to the Proposal**

44.1. Without derogating from the requirements to attach the documents stipulated in the tender, Respondent must attach the following documents to the proposal:

44.1.1. Certification of registration of the corporation;

44.1.2. Certification by an attorney regarding the identities of the Respondent's signatories;

44.1.3. Affidavit regarding the controlling shareholders of the Respondent;

44.1.4. Confirmation of registration for the tender;

- 44.1.5. Authorizations by the holders of the copyrights regarding the use of their rights in the framework of the proposal (attach Appendix F of the tender to the affidavit);
- 44.1.6. A commitment for industrial cooperation;
- 44.1.7. Certification by an accountant regarding the scope of the manufacture of the inlay;
- 44.1.8. Certification by an accountant regarding the scope of inlay delivery;
- 44.1.9. Certification by an accountant regarding the scope of the manufacture and delivery of the chip;
- 44.1.10. Certification of a accountant regarding the scope of delivery of the operating system;
- 44.1.11. The test plan;
- 44.1.12. Documentation regarding subcontractors including the affidavit as required by section 25.2.2;
- 44.1.13. The proposed terms of warranty.

**45. Multiple Proposals**

A Respondent can submit more than one proposal, provided that each proposal is submitted as a complete and separate proposal and offers a different finished product.

**46. Validity of the Proposal**

- 46.1. The proposal will be valid for six (6) months from the date of its submission.
- 46.2. Notwithstanding the above, proposals that are not chosen will remain valid for at least 60 days after the conclusion of the tender process in the event that the winner of the tender withdraws its proposal or breaches the contract. In this circumstance the Tender Committee may (but is not obligated to) declare the next respondent in line as the winner of the tender.
- 46.3. 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, revocation of the contract for any other

reason etc.) the Authority may (but is not obligated to) choose the next Respondent in line, provided that at such time the Respondent has met the preconditions for participation in the tender.

#### **47. Exercise of the Contract**

47.1. 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 14 days from notification of the award.

47.2. Notwithstanding the generality of the above, the winner of the tender must present the following documents to the Authority:

47.2.1. Non-disclosure declarations, in the forms specified in Appendixes (5) and (6) of the contract.

47.2.2. A performance bond as stipulated in the contract in the format stipulated in Schedule (2) of the contract.

47.2.3. Documentation that includes instructions and guidelines for the optimum operation of the product.

47.2.3.1. Notwithstanding the generality of the above, the winner of the tender will supply the Purchaser with the following documentation:

47.2.3.1.1. Instructions and guidelines for the gluing of the inlay substrate to the specified cover material, including any pre-glue steps required;

47.2.3.1.2. Documentation at the Application Protocol Data Unit (APDU) level for the operating system in the product;

47.2.3.1.3. Complete documentation for the middleware and SDK;

47.2.3.1.4. A list of processes required for the Purchaser to receive the product (such as: exchange of cryptographic keys through a key

ceremony, special processing procedures, forms that the Purchaser has to complete etc.);

47.2.3.1.5. Detailed instructions for the processing and storage of the product, its operation and maintenance.

47.2.3.2. The winner of the tender may request that prior to delivery of the documentation that the Purchaser will sign a non-disclosure agreement (NDA), in the customary format, provided that the law governing the NDA is Israeli law and the jurisdictional authority belongs to the competent court in Jerusalem.

## **E. General**

### **48. Governing law**

48.1. This tender is governed by the laws of the State of Israel, including the Mandatory Tenders Law, 5752 – 1992, Mandatory Tenders Regulations, 5753 – 1993 and Mandatory Tender Regulations (Mandatory Industrial Cooperation) 5767 – 2007.

48.2. The Respondents will be deemed as having received appropriate legal counsel prior to their participation in this tender.

### **49. Interpretation**

49.1. Words and expressions that are not defined in section 3, shall be ascribed their meanings as found in the law, in the Interpretation Ordinance or the Interpretation Law, 5741 – 1981, unless another interpretation is mandated from the context or text.

49.2. A revocation or a determination regarding the revocation of terms of the tender shall not invalidate the tender or any other term therein.

49.3. 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.

49.3.1. 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.

49.3.2. 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.

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

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

## **50. Index and Currency**

50.1. A sum of money or value of an asset quoted by Respondent, shall be quoted in Euros, and written both in its numerical and written form.

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

50.1.2. If the type of currency is not specified, the presumption will be that the currency is proposed in Euro.

## **51. Website**

51.1. All information and components relating to the tender and all notifications regarding the tender will be published on the website [www.pnim.gov.il/michrazim](http://www.pnim.gov.il/michrazim).

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

51.3. Inasmuch as possible and without taking responsibility for doing so, the Tender Committee will send notifications of new information on the site by electronic mail. **Respondents should take the proper actions to include the mail address [inlay@mail.gov.il](mailto:inlay@mail.gov.il) in their "safe senders" list.**

**52. Proprietary rights to Documents**

The tender documents belong to the Population, Immigration and Border Authority, and may not be used for any other purpose other than for the submission of proposals.

**53. Tender Committee Consultants**

53.1. Parties that serve as consultants to the Authority or the Tender Committee for the State of Israel travel documents project, including the parties detailed in Appendix K of the tender, are disqualified from participating in or consulting in the preparation of a proposal for the tender, or advising a Respondent on any other issue, whether individually or through an affiliated body, unless prior written permission to do so is obtained from the Tender Committee.

53.2. The Tender Committee has the discretion to disqualify a proposal prepared in violation of this section.

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

54.1. The Tender Committee may (but is not obligated to) request written or oral clarifications of 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.

54.2. The Tender Committee has the discretion to request that a Respondent provide missing information and/or recommendations and/or certifications that relate to the requirements stipulated in the tender, in order to evaluate the Respondent's compliance with the preconditions 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.

54.3. The Tender Committee may perform any act that is necessary to evaluate the proposal, including visiting the Respondent's facilities or the facilities of a proposed subcontractor.

**55. Nonresponsive Proposal**

55.1. The Tender Committee may, for reasons that must be listed, instruct that a defect in a proposal on the tender be rectified, if it finds that this will not harm the equality of the Respondents or if it finds that this decision benefits the public welfare and the goal of the tender.

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

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

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.

**57. A Conditional or Limited Proposal**

57.1. A Respondent may not limit his proposal or condition it in a manner that is not consistent with the requirements of the tender.

57.2. A Respondent who believes that the requirements of the tender should be conditioned or qualified may raise such comments or reservations as part of the clarification process; the Tender Committee will consider the request and respond in accordance with the provisions of section 40 above.

**58. Viewing the Tender Documents and the Winning Proposal**

58.1. The Tender Committee shall enable a Respondent who loses 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 law.

58.2. A respondent who believes that sections of its proposal contain trade or business secrets (hereinafter – “Classified Sections”), and should not be open for viewing 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 his proposal .

- 58.3. Respondent shall submit one copy of the proposal without the sections that, in its opinion, should not be open for perusal, and mark this as a “copy for competitor review”.
- 58.4. 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 the entire proposal to be read by other Respondents should said Respondent be awarded the tender.
- 58.5. 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.
- 58.6. Please note that sole discretion with regard to the right of review of the Respondents belongs to the Tender Committee alone, who will act in this matter in accordance with the Tender laws, the relative laws and with standards governing an administrative authority.
- 58.7. 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 winner and the respondent will be permitted to submit an objection to this decision within a reasonable period of time under such circumstances.
- 58.8. 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.
- 58.9. Without derogating from the above, be advised that Respondent’s name and address, experience, customers, and the proposed price does not constitute trade or business secrets. A respondent who chooses to participate in this tender thus consents to the terms of this section.

59. **Revocation and Rejection**

The Tender Committee is permitted, at any stage of the tender, to cancel the tender and the respondents will have no rights to enforce its execution.

60. **Jurisdiction**

Local jurisdiction with regard to this tender belongs to the competent court in Jerusalem.

# **Appendix A: Technical Requirements**

## **1. General**

- 1.1. The proposed product and all components that comprise it must be in compliance with International standards for the production of e-Passports and must be based on the most advanced existing technology.
- 1.2. Without derogating from the foregoing generalities, as a prerequisite to participation in the tender, the proposed product must demonstrate compliance with the terms and specifications listed in this appendix.

## **2. Specifications of the Proposed Product**

**As a precondition to participation in the tender** the product must include the following **two** components:

- 2.1. Inlay;
- 2.2. SDK or middleware – software for personalizing the chip and preparing it for use.

## **3. Inlay**

**As a precondition to participation in the tender** the proposed inlay must demonstrate compliance with **all** of the following requirements:

### **3.1. Structure**

- 3.1.1. **Components** – The proposed inlay must include a substrate carrying an antenna and a module containing the chip (or any other packaging method).
- 3.1.2. **Configuration** – 1-UP configuration, either with a thinner area at the hinge or without one, as detailed in the tender, for use in a Kuegler Womako assembly and finishing machine. Final decision on the inclusion of a thin hinge will be made after some tests that will be done by the purchaser.
- 3.1.3. **Dimensions** – Dimensions of the proposed product must be according to the schematic diagram in Appendix J of the tender.

3.1.4. Orientation – **Please note that** contrary to the majority of the countries, Israeli travel documents open from left to right. Therefore, the placement of the antenna and chip is different in practice than most of the e-Passports in the world. As such, the inlay is designed to be integrated into the cover of the travel documents with the chip and antenna fitted into the back cover, as detailed in the schematic diagram in Appendix J and in the video clip on the website.

3.1.5. Schematic Diagram – Respondent must append an exact drawing of the proposed inlay to the Technical specifications, containing details of the exact dimensions and locations of the various inlay components.

3.2. **Substrate Material** –

3.2.1. The substrate will be made of one of the following materials:

3.2.1.1. Paper;

3.2.1.2. Paper enriched with synthetic fiber;

3.2.1.3. Synthetic paper;

3.2.1.4. Teslin;

3.2.2. Respondent must specify the material for the substrate that is being proposed, as well as the advantages and disadvantages in using this material.

3.3. **Duration/Lifespan** – The lifespan of the proposed inlay must be at least 10 years.

3.4. **Durability** – The product must have passed the tests set forth in sections 5.2 – 5.8, 5.12 – 5.15 and 6.3, for Test\_Specification\_for\_MRPs\_V3.2 published by ICAO, (hereinafter the “**ICAO Test Plan**”).

3.4.1. Respondent must conduct and pay for the durability testing set forth in the aforementioned sections of the ICAO Test Plan, with the inlay incorporated into a booklet with **paper pages only**.

3.4.1.1. The manufacturer can freely decide which structure of the booklet will be used for these

tests, provided that the cover is similar to the one that will be used in the Israeli e-Passport (made of reinforced acrylic covered paper eleven to thirteen (11-13) points thick); it is recommended (but not mandatory) that the tests be performed on a booklet containing one hundred percent (100%) cotton end paper.

- 3.4.2. Respondent should note that the test may be conducted either by an independent laboratory, by a customer of the respondent or by the respondent himself. A stricter test than that mandated by the ICAO Test Plan can be presented and be awarded points in the evaluation stage, as specified in section 33 of the tender.
- 3.4.3. Respondent must attach the test results to the Technical specifications (as an official signed report).

### 3.5. **Durability during Passport Production**

The proposed inlay must be able to tolerate all of the regular production stages during the manufacture of e-Passports, made, as stated, by a Kuegler Womako assembly machine and other select equipment belonging to the booklet producer, including at least the following stages:

- 3.5.1. Gluing;
- 3.5.2. Embossing the front cover (metallization);
- 3.5.3. Sewing;
- 3.5.4. Heat stamping of the passport number (with a ribbon printer);

- 3.6. **Safety Requirements** – Compliance with the 2002/95/EC directive of the European Union (Regulations for Use of Harmful Substances ROHS)
- 3.7. Respondent must specify the toxicity and safety data of the product at each stage in the Technical specifications, Appendix D of the tender (production, use and end-of-life/shredding).
- 3.8. Respondent must indicate in the Technical specifications, Appendix D of the tender, if there is a method for recycling defective inlays (or any

other treatment method), in order to protect the environment against exposure to toxic substances and metals.

#### 4. **Chip**

**As a precondition to participation in the tender** the chip must be in compliance with **all** of the requirements listed below:

4.1. **Chip Model** - The proposed chip must be the latest version in current production.

4.1.1. Respondent must specify in the Technical specifications, Appendix D of the tender:

4.1.1.1. A list of the different versions of the chip (revision history);

4.1.1.2. A projected roadmap from the chip manufacturer detailing [1] the future plan of the manufacturer for the proposed chip model; [2] the differences between the different generations and – [3] the effect the plan will have on Purchaser (from the perspectives of security, cost, availability, electronic performance, physical performance, physical data, etc.).

4.2. **Electrically Erasable Programmable Read -Only Memory (EEPROM)** – memory capacity of more than 64k is required.

4.3. **Standards** – Operation according to ISO14443 standard type A or B.

4.4. **Communication speed** – Support for communication speed of 848 KBpS.

4.5. **ESD Protection** – Protection from static discharge of at least 4KV.

4.6. **Random Number Generator** – Creation of random numbers by dedicated hardware (True Random Number Generator).

4.7. **Unique Identification** – Identification of the chip by a unique serial number for each chip in the pre-personalization stage.

4.7.1. The Technical specifications must list:

4.7.1.1. Security mechanisms – During what stages in the lifecycle of the chip and under what limitations

and/or authentication mechanisms can the serial number of the chip be read;

4.7.1.2. Additional data for the purpose of identifying the chip.

4.8. **Certification** – The chip must be certified according to Common Criteria with a certification level of EAL5+ or more, using protection profile BSI PP0002 or similar. The certification must be valid either for the proposed chip or for its preceding version (from the same family and for e-Passport use).

4.9. **Antenna** – A wire or printed antenna.

## 5. **Operating System**

**As a precondition** to participation in the tender the preinstalled operating system must comply with **all** of the following specifications:

5.1. **Type** – The operating system must be either Native or Java Card.

5.2. **Certification** - The operating system, in the proposed version or its preceding version, must be certified according to Common Criteria with a level of EAL4+ or more, using protection profile BSI PP0026 version 1.1 or later.

5.3. **Versions** – The operating system must be the most recent version.

5.3.1. Respondent must specify in the Technical specifications, Appendix D of the tender:

5.3.1.1. The revision history for the proposed operating system, with a list of other hardware platforms supported and older operating systems upon which it is based;

5.3.1.2. The roadmap of the next versions and their projected modifications, and the implications, if any, on the planning and application considerations of the Purchaser.

5.4. **Support for Hardware Platforms** – The operating system must have been ported to at least two types of chips, from two different manufacturers, where both versions were certified as aforementioned in section 5.2 above.

- 5.5. **Standards** - Compliance with ISO14443 sections 1-4, including Anti Collision support.
- 5.6. **Protection during Shipment** – The operating system must be sent to Purchaser protected by a diversified transport key, which inhibits use of the chip during transport from the manufacturer’s facility to Purchaser’s facility.
  - 5.6.1. Activation process – Respondent must specify the activation process that is required in the Technical specifications, Appendix D of the tender. In particular, the transfer and exchange of keys (key ceremony) between Purchaser and the manufacturer must be listed in a detailed and accurate manner.
  - 5.6.2. Protection and Security – Respondent must specify the security process in place during shipment, in the Technical specifications, Appendix D of the tender, including the particulars of the individuals who are involved on behalf of the manufacturer.
- 5.7. **File Structure** – Support for a file structure according to LDS version 1.7.
  - 5.7.1. As a precondition for participation in the tender Respondent must declare in the Technical specifications, Appendix D of the tender, that the following files can be supported by the proposed inlay, from both the perspective of the operating system and the middleware:
    - 5.7.1.1. EF.COM file – list of all the active files on the chip;
    - 5.7.1.2. DG1 file – a copy of the MRZ of the passport, that is printed on the data page;
    - 5.7.1.3. DG2 file – the photograph of the passport holder (in JPEG 2000 format) with an average size of 12,000 bytes;
    - 5.7.1.4. DG3 file – Images of two of the passport holder’s fingerprints (in WSQ format) with an average size of 10,000 –11,000 bytes per fingerprint;

- 5.7.1.5. DG7 file – A hand signature image (JPEG) no greater than 6,000 bytes;
  - 5.7.1.6. DG13 file – An XML object unique to Israel, containing various security elements. The maximum size of the file is a little more than 1,300 bytes.
  - 5.7.1.7. DG14 file – Data required for the EAC process;
  - 5.7.1.8. EF.SOD file – A digital signature of the data on the chip for the Passive Authentication mechanism;
  - 5.7.1.9. Other files – Any file or data object required for the internal operation of the operating system or which Purchaser desires to include on the chip with the exception of the files defined by the ICAO standard.
- 5.8. **BAC Support** – As a precondition for participation in the tender, Respondent must declare in the Technical specifications, Appendix D of the tender, that the data written to the chip is protected by a BAC process in order to read the files (except the DG3 file) as defined in the ICAO standard.
- 5.9. **EAC Support** – As a precondition for participation in the tender, Respondent must declare in the Technical specifications, Appendix D of the tender, that the data written to DG3 is protected by EAC in addition to the BAC process. This EAC process will operate in accordance with the following data:
- 5.9.1. Chip Authentication – Support is required for at least one of the following algorithms in the CA stage:
    - 5.9.1.1. ECDH with keys that are at least 224 bits long;
    - 5.9.1.2. DH with keys that are at least 1024 bits long;
  - 5.9.2. Terminal Authentication - Support is required for at least one of the following algorithms in the TA stage:
    - 5.9.2.1. ECDSA, with a SHA256 type hashing and keys at least 224 bits long;

- 5.9.2.2. RSA with a key that is at least 1024 bits long.
- 5.9.3. Key generation – with the necessary key generation for the EAC mechanism on the chip itself.
- 5.9.4. Parameters – The final parameters of the aforementioned algorithms will be established during the detailed design stage, with the winning Respondent.
- 5.9.5. Performance – Respondent must specify in the Technical specifications, Appendix D of the tender, the capabilities of the operating system for each of the algorithms it supports including the length of the keys, exact definition of the algorithms and execution time for each of the key lengths supported, including average times for key generation.

5.10. **File access conditions** – The following is a list of the reading authorizations needed for the different files on the passport:

<b>File Name</b>	<b>File Content</b>	<b>Reading Permission</b>
EF.COM	List of active files	BAC
DG1	MRZ data	BAC
DG2	Face image	BAC
DG3	Two fingerprints	BAC + EAC
DG7	Signature sample	BAC
DG13	General information and security markings	BAC
DG14	EAC data	BAC
EF.SOD	Digital Signature	BAC

5.10.1. Respondent must declare in the Technical specifications, Appendix D of the tender, that there are no obstacles to the implementation of the provisions of this section.

5.11. **Operating Speed** – The joint operation of the chip and the proposed operating system must provide the highest possible level of operating speed during the personalization stage and primarily during regular use as defined below:

- 5.11.1. Personalization – The personalization process, including the generation of the chip keys, must be completed in less than forty (40) seconds (for EAC keys as detailed above).
- 5.11.2. Reading Speed – As a precondition for participation in the tender the reading time for a uniform set of data, supplied by Purchaser, including Chip Authentication (as defined below), **must not exceed three and a half (3.5) seconds**; the data set will include the following information: [1] Alphanumeric information (DG1 file); [2] Face image (DG2 file) of 12,000 bytes; [3] Security data (EF.SOD) of a projected size of around 1,800 bytes that is based on a DSCA key 2048 bits long and a CSCA key that is 4096 bits long.
  - 5.11.2.1. A Chip Authentication process will be conducted as part of the foregoing dataset reading – including the reading of the DG14 file.
  - 5.11.2.2. Respondent must conduct reading speed tests with Golden Reader Tool version 2.94, and with a reader freely chosen by him, provided that this reader is activated through the PC/SC interface.
  - 5.11.2.3. Respondent must specify in the Technical specifications, Appendix D of the tender, the test results and must specify the model of the reader and device driver version that was used. **This version of the device driver must be provided by the respondent with his proposal.**
  - 5.11.2.4. Purchaser may test operating speed under equal conditions for all of the respondents to the tender. The results of the test conducted by Purchaser will prevail in any conflict between data provided by a respondent and the test conducted by Purchaser.
  - 5.11.2.5. Respondents are directed to section 34 of the tender, where points are awarded during the grading stage for operating speed in excess of the minimal requirement.

5.11.3. Communication speed – Support for a communication speed of 848 KBpS at the operating system level as well.

5.12. **Support for random/dynamic UID-** The operating system must enable the identification of the chip through a random dynamic identifier.

## 6. **Middleware/SDK**

The middleware or SDK must enable the preparation of the chip for use, the creation of the logical data structure and the personalization of the chip. The software must be in compliance with all of the following requirements:

6.1. **Reader interface** – Communication with the chip must be through the PC/SC interface of the reader and must be able to work with any reader that supplies this interface and is compliant with the standards.

6.2. **Software interface** – A standard interface that enables the abstraction of the personalization process and integration into the IT systems of the issuing centers.

6.2.1. General guidelines for the desired data entry process are presented in section 7.2 of this appendix.

### 6.3. **Processing required by the SDK/middleware**

**As a precondition for participation in the tender**, the proposed middleware (or the SDK) must create the following records, on the basis of data that will be transferred as an XML object into which the different data will be embedded.

#### 6.3.1. Alpha numeric data

##### 6.3.1.1. Input

Passport number, name, surname, birth date, expiration date, gender etc.

##### 6.3.1.2. Output

MRZ record – Alphanumeric information also printed on the data page. This information includes some of the data printed on the information page as well as checksums according to ICAO DOC9303.

##### 6.3.1.3. Required processing

The middleware will create the MRZ record from which the DG1 file in the passport will be generated.

### 6.3.2. Face image

#### 6.3.2.1. Input

The face image will be a JPEG2000 file, with an average size of 12,000 bytes, together with complementary information such as the type of the file and various other metadata.

#### 6.3.2.2. Output

A record that will include the actual image and the complementary metadata (in the header), according to the ICAO standard.

#### 6.3.2.3. Required processing

The middleware will create the DG2 file in the passport from this record. The actual image will not be processed in any manner and the software will only have to add the necessary metadata (in the header), in accordance with the requirements of the standard.

### 6.3.3. Fingerprints

#### 6.3.3.1. Input

Two images of the fingerprints of the passport holder in WSQ format. The average size of each picture is 10,000 – 11,000 bytes. Other supplementary data such as the identification of the fingers will also be provided.

#### 6.3.3.2. Output

A record consisting of the actual images and the complementary information (in the

header) in accordance with the ICAO standard.

6.3.3.3. Required processing

The middleware must generate the DG3 passport file from this record.

6.3.4. Hand signature

6.3.4.1. Input

The signature image will be a JPEG file, with an average size of 6,000 bytes or less, together with complementary information.

6.3.4.2. Output

A record that will include the actual image and the complementary metadata (in the header) according to the ICAO standard.

6.3.4.3. Required processing

The middleware will create the DG7 file in the passport from this record.

6.3.5. Additional security data

6.3.5.1. Input

Alphanumeric data containing the present passport number, data on the preceding passport (number, date of expiration and its condition) and additional data for forensic identification of the passport (cryptographic checksums of the data in the passport and initialization values for various cryptographic processes).

6.3.5.2. Output

The middleware must create the DG13 file from this record.

#### 6.3.5.3. Required processing

No processing is required other than the creation of the DG13 record.

### 7. **Additional Technical Data**

As a precondition for participation in the tender, Respondent must state in the Technical specifications, Appendix D of the tender that the information presented in this section is acceptable, and that this information will not inhibit use of the proposed product.

#### 7.1. **Purchaser's Computers and workstations**

The different computer workstations at Purchaser issuing centers will be standard computers with smartcard readers from different manufacturers. All the computers will be from a uniform model, and all will work with a PC/SC compatible device driver for the reader.

#### 7.2. **Personalization Process**

Only some of the stages of the personalization process are listed in this section. This list is not comprehensive, and is presented here for illustrative purposes only:

##### 7.2.1. Reading chip data

Reading chip data during the personalization stage or preparation for use (such as its serial number, lifecycle state, hardware/software version etc.).

##### 7.2.2. Preparing the chip for use

Pre-personalization (if required) is done at this stage, including installation of patches, authentication with keys and setup of chip parameters and the operating system.

##### 7.2.3. Allocating Files (data groups)

Allocation of the various files from the data object (XML) that contains the raw data for personalization, other than the EF.SOD, including the standard compliant content, creation of the BAC keys and writing the information to the chip.

##### 7.2.4. Activation of internal processes in the chip

Activation of internal processes (in particular the generation of keys required for the EAC mechanism).

7.2.5. Reading the information created on the chip

Previously unknown data is created in this stage (in particular data to be stored in DG14). This data is read at this stage and transferred for completion of the personalization stage.

7.2.6. Computing the contents of EF.SOD

EF.SOD is created when all the data is available and will be written to the chip after a raw signature of the data is computed by the DSCA (calculation of the signature is not part of the SDK or the middleware).

7.2.7. Control and Verification

Reading the information off the chip in order to control and verify the data entry process.

**Appendix B: Awarding Points for Quality  
Pursuant to section 33 of the Tender**

1. The tests listed in the table below are based on the ICAO Test Plan, although some tests are stricter. The tests for which quality points are awarded are listed in the "Requirement" column.
2. Respondents are referred to section 33.2.2 of the tender, by which additional points may be awarded for conducting stricter tests than those detailed in the table below.

<b>Section</b>	<b>Characteristic</b>	<b>Requirement</b>	<b>Relevant Section in the Test Plan</b>
2.1.	Thermal Cycling	Thermal cycling according to section 5.2 of the test plan where n=10	5.2
2.2.	Storage Temperature	Simulating storage at high temperatures, in accordance with section 5.3 of the test plan.	5.3
2.3.	Operational Temperature	Simulating performance at different temperatures, in accordance with section 5.4 of the test plan.	5.4
2.4.	Impact(simulation of stamping)	Dropping a mass on the passport, in accordance with section 5.5 of the test plan.	5.5
2.5.	Book bend ("back pocket" test)	The application of pressure with a curved surface as specified in section 5.6 of the test plan. <b>This section requires an expanded 100</b>	5.6

Section	Characteristic	Requirement	Relevant Section in the Test Plan
		<b>(one hundred fold test and not 10 fold as specified in the test plan.</b>	
2.6.	Dynamic bending	Bending the passport accordance with section 5.7 of the test plan. <b>This section requires an expanded ten thousand (10,000) fold test and not one thousand (1,000) as stated in the test plan.</b>	5.7
2.7.	Torsion stress	Twisting the passport in accordance with section 5.8 of the test plan. <b>This section requires an expanded five thousand (5,000) twist test and not five hundred (500) as stated in the test plan.</b>	5.8
2.8.	Pen stress	Moving a pen over the passport in accordance with section 5.12 of the test plan.	5.12
2.9.	Resistance to chemicals	Immersion in various liquids in accordance with section 5.13 of the test plan.	5.13
2.10.	X ray stress	The ability to withstand X rays in accordance with section 5.15 of the test plan.	5.15

Section	Characteristic	Requirement	Relevant Section in the Test Plan
2.11.	Peel strength	Attempting to peel off the inlay layer in accordance with section 6.3 of the test plan.	6.3

## **Appendix C: Proposal Form**

### **1. General**

- 1.1. The form must be filled out completely and legibly and be submitted as part of the proposal to the tender.
- 1.2. Every section containing a blank space for insertion of the proposal indicates the extent of the detail expected from Respondent.
- 1.3. Tables that contain blank lines to be completed may be replaced by a photocopy of the table with additional lines to include more details. The photocopy should be attached to the Proposal Form in the place designated for the table.
- 1.4. Sections of the form with a limited number of lines - A respondent, who is so inclined, may submit a printed answer to these sections, provided that the actual space remains the same. The printed sheet must be attached to the Proposal Form in the space designated for the answer.
- 1.5. Reference made to a signature requirement on the Proposal Form refers to the signature of the authorized signatory of Respondent.
- 1.6. 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).
- 1.7. The requirements for appending documents which appear in this appendix are provided for the convenience of respondents only, the list of mandatory requirements are as set forth in the tender itself.

### **2. Respondent information**

<b>Name of Respondent</b>	<b>Address of Respondent</b>	
<b>Telephone</b>	<b>Fax</b>	<b>Email</b>

Details of Contact Person for Respondent		
<b>Name of Contact</b>	<b>Title</b>	<b>Email</b>
<b>Telephone</b>	<b>Fax</b>	<b>Mobile</b>

**3. Incorporation (section 12 of the tender)**

- 3.1. Incorporation details of Respondent (corporation / association / partnership / other) \_\_\_\_\_
- 3.2. Identifying number (in the relevant register) \_\_\_\_\_
- 3.3. Country of incorporation of Respondent \_\_\_\_\_
- 3.4. Authorized signatories of Respondent and offices held with Respondent:

<b>No.</b>	<b>Name</b>	<b>I.D number</b>	<b>Position in company</b>	<b>Sample Signature</b>
<b>3.4.1</b>				
<b>3.4.2</b>				
<b>3.4.3</b>				
<b>3.4.4</b>				

3.5. Attach requisite documents (mark  in the designated space if attached)

Requisite Document	Attached (mark <input checked="" type="checkbox"/> )
3.5.1. Certificate of registration of the company.	<input type="checkbox"/>
3.5.2. Notarized / attorney certified affidavit regarding Respondent's authorized signatories	<input type="checkbox"/>
3.5.3. Affidavit regarding Respondent's controlling shareholders	<input type="checkbox"/>

**4. Date of Registration for the Tender (section 13 of the tender)**

4.1. Respondent registered for the tender on the date of \_\_\_\_\_.

4.2. Respondent's identification number is \_\_\_\_\_.

4.3. Attach required documents (mark  in the designated space if attached)

Requisite Document	Attached (mark <input checked="" type="checkbox"/> )
4.3.1. Certification of registration for tender.	<input type="checkbox"/>

**5. Attachment of Affidavits and Commitment for Industrial Cooperation (sections 14 - 16)**

5.1. As a precondition for participation in the tender the following documents must be appended to the Proposal Form (mark  in the appropriate space if attached)

<b>Requisite Document</b>	<b>Attached (mark <input checked="" type="checkbox"/>)</b>
5.1.1. Affidavit according to section 14.1 (Appendix E of the tender)	<input type="checkbox"/>
5.1.2. Affidavit according to section 14.2 (Appendix F of the tender)	<input type="checkbox"/>
5.1.3. Affidavit according to section 15 (Appendix G of the tender)	<input type="checkbox"/>
5.1.4. Industrial cooperation undertaking according to section 16 (Appendix H of the tender)	<input type="checkbox"/>

**6. Respondent Experience in Inlay Production (Section 17 of the tender)**

6.1. Respondent's role in the manufacture of Inlay in the projects enumerated below in section 6.2 of this appendix:

\_\_\_\_\_

6.2. Please complete the table below:

Section	Name of Purchasing Country	Purchaser Contact	Quantity of Inlay Supplied to the Country by Supplier		Respondent Comments (if any)
			Number of Units Supplied	Year	
6.2.1				2007	
				2008	
				2009	
				2010	
6.2.2				2007	
				2008	
				2009	
				2010	
6.2.3				2007	
				2008	
				2009	
				2010	

6.3. Clarifications:

6.3.1. Information about inlays that are not designed for use in e-Passports should not be specified in this section.

6.3.2. Use may be made, for purposes of answering section 17 of the tender, of inlays which differ from the inlay proposed in the tender.

6.4. Attach requisite documents (mark  in the designated space if attached)

<b>Requisite Document</b>	<b>Attached (mark <input checked="" type="checkbox"/>)</b>
6.4.1. Detailed certification by Respondent's Auditor as required by section 17.2.1.	<input type="checkbox"/>
6.4.2. Respondent, who cannot reveal details of the country due to confidentiality issues, may attach the relevant documents as required in section 17.2.2.	<input type="checkbox"/>

**7. Inlay Reference Projects (sections 18 and 30.1 of the tender)**

7.1. Please fill in the details of each reference project in the table below (additional tables can be added as needed):

7.1.1. Name of Country: _____			
Contact Information	General Target Quantity of the Project:	Number of units of Inlay ordered from Respondent / subcontractor:	Specify common elements between the proposed Inlay and the Inlay supplied in the project:
		The primary supplier of the project (if Respondent / subcontractor supplying the Inlay is not the primary supplier):	<input type="checkbox"/> Chip <input type="checkbox"/> Operating system embedded in chip <input type="checkbox"/> Substrate <input type="checkbox"/> Antenna <input type="checkbox"/> Packaging method
Units of Inlay actually supplied by Respondent/ subcontractor			
Year	Number of units supplied to the project by Respondent / subcontractor this year	Comments (if any)	
2007			
2008			
2009			
2010			

7.1.2. Name of Country: \_\_\_\_\_

7.1.2. Name of Country: _____			
Contact Information	General Target Quantity of the Project:	Number of units of Inlay ordered from Respondent / subcontractor:	Specify common elements between the proposed Inlay and the Inlay supplied in the project:
		The primary supplier of the project (if Respondent / subcontractor supplying the Inlay is not the primary supplier):	<input type="checkbox"/> Chip <input type="checkbox"/> Operating system embedded in chip <input type="checkbox"/> Substrate <input type="checkbox"/> Antenna <input type="checkbox"/> Packaging method
Units of Inlay actually supplied by Respondent/ subcontractor			
Year	Number of units supplied to the project by Respondent / subcontractor this year	Comments (if any)	
2007			
2008			
2009			
2010			

7.1.3. Name of Country: \_\_\_\_\_

7.1.3. Name of Country: _____			
Contact Information	General Target Quantity of the Project:	Number of units of Inlay ordered from Respondent / subcontractor:	Specify common elements between the proposed Inlay and the Inlay supplied in the project:
		The primary supplier of the project (if Respondent / subcontractor supplying the Inlay is not the primary supplier):	<input type="checkbox"/> Chip <input type="checkbox"/> Operating system embedded in chip <input type="checkbox"/> Substrate <input type="checkbox"/> Antenna <input type="checkbox"/> Packaging method
Units of Inlay actually supplied by Respondent/ subcontractor			
Year	Number of units supplied to the project by Respondent / subcontractor this year	Comments (if any)	
2007			
2008			
2009			
2010			

7.1.4. Name of Country: \_\_\_\_\_

7.1.4. Name of Country: _____			
Contact Information	General Target Quantity of the Project:	Number of units of Inlay ordered from Respondent / subcontractor:	Specify common elements between the proposed Inlay and the Inlay supplied in the project:
		The primary supplier of the project (if Respondent / subcontractor supplying the Inlay is not the primary supplier):	<input type="checkbox"/> Chip <input type="checkbox"/> Operating system embedded in chip <input type="checkbox"/> Substrate <input type="checkbox"/> Antenna <input type="checkbox"/> Packaging method
Units of Inlay actually supplied by Respondent/ subcontractor			
Year	Number of units supplied to the project by Respondent / subcontractor this year	Comments (if any)	
2007			
2008			
2009			
2010			

7.2. If the Inlay manufacturer in the reference projects is other than Respondent:

7.2.1. Name of the inlay manufacturer (subcontractor):  
\_\_\_\_\_;

7.3. Attach required documents (mark  in the designated space if attached)

<b>Required Document</b>	<b>Attached (mark <input checked="" type="checkbox"/>)</b>
7.3.1. Detailed certification by Respondent's auditor as required by section 18.3.	<input type="checkbox"/>
7.3.2. Respondent, who cannot reveal details of the country due to confidentiality issues, or other information required pursuant to the provisions of section 18, may attach the documents as required in section 18.2.4.	<input type="checkbox"/>

**8. Chip reference projects (sections 19 and 30.2 of the tender)**

8.1. Please fill in the details of each reference project in the table below (additional tables can be added as needed):

8.1.1. Name of Country: _____			
Contact Information	General Target Quantity of the Project:	Number of chips ordered from Respondent / subcontractor:	Primary supplier in the Project (if Respondent / subcontractor supplying the chip is not the primary supplier):
Chips actually supplied by Respondent/ subcontractor			
Year	Number of chips supplied to the project by Respondent / subcontractor this year	Comments (if any)	
2007			
2008			
2009			
2010			

8.1.2. Name of Country: \_\_\_\_\_

Contact Information	General Target Quantity of the Project:	Number of chips ordered from Respondent / subcontractor:	Primary supplier in the Project (if Respondent / subcontractor supplying the chip is not the primary supplier):
---------------------	---	--	---

Chips actually supplied by Respondent/ subcontractor

Year	Number of chips supplied to the project by Respondent / subcontractor this year	Comments (if any)
2007		
2008		
2009		
2010		

8.1.3. Name of Country: \_\_\_\_\_

Contact Information	General Target Quantity of the Project:	Number of chips ordered from Respondent / subcontractor:	Primary supplier in the Project (if Respondent / subcontractor supplying the chip is not the primary supplier):
---------------------	---	--	---

Chips actually supplied by Respondent/ subcontractor

Year	Number of chips supplied to the project by Respondent / subcontractor this year	Comments (if any)
2007		
2008		
2009		
2010		

8.1.4. Name of Country: \_\_\_\_\_

Contact Information	General Target Quantity of the Project:	Number of chips ordered from Respondent / subcontractor:	Primary supplier in the Project (if Respondent / subcontractor supplying the chip is not the primary supplier):
---------------------	---	--	---

Chips actually supplied by Respondent/ subcontractor

Year	Number of chips supplied to the project by Respondent / subcontractor this year	Comments (if any)
2007		
2008		
2009		
2010		

8.2. If the chip manufacturer in the reference projects is other than Respondent:

8.2.1. Name of subcontractor: \_\_\_\_\_;

8.3. Attach required documents (mark  in the designated spot if attached)

<b>Required Document</b>	<b>Attached (mark <input checked="" type="checkbox"/>)</b>
8.3.1. Detailed certification by Respondent's auditor as required by section 19.3.	<input type="checkbox"/>
8.3.2. Respondent, who cannot reveal details of the country due to confidentiality issues, or other information required pursuant to the provisions of section 19 shall attach the documents as required in section 19.2.4.	<input type="checkbox"/>

**9. Operating System Reference Projects (sections 20 and 30.3 of the tender)**

9.1. Please fill in the details of each reference project in the table below (additional tables can be added as needed):

9.1.1. Name of Country: _____			
Contact Information	General Target Quantity of the Project:	Number of OS licenses ordered:	Primary supplier in the Project (if Respondent / subcontractor supplying the operating system is not the primary supplier):
Licenses already supplied			
Year	Number of OS licenses supplied to the project in this year	Comments (if any)	
2007			
2008			
2009			
2010			

9.1.2. Name of Country: \_\_\_\_\_

Contact Information	General Target Quantity of the Project:	Number of OS licenses ordered:	Primary supplier in the Project (if Respondent / subcontractor supplying the operating system is not the primary supplier):
---------------------	---	--------------------------------	---

Licenses already supplied

Year	Number of OS licenses supplied to the project in this year	Comments (if any)
2007		
2008		
2009		
2010		

9.1.3. Name of Country: \_\_\_\_\_

Contact Information	General Target Quantity of the Project:	Number of OS licenses ordered:	Primary supplier in the Project (if Respondent / subcontractor supplying the operating system is not the primary supplier):
---------------------	---	--------------------------------	---

Licenses already supplied

Year	Number of OS licenses supplied to the project in this year	Comments (if any)
2007		
2008		
2009		
2010		

9.1.4. Name of Country: \_\_\_\_\_

9.1.4. Name of Country: _____			
Contact Information	General Target Quantity of the Project:	Number of OS licenses ordered:	Primary supplier in the Project (if Respondent / subcontractor supplying the operating system is not the primary supplier):
Licenses already supplied			
Year	Number of OS licenses supplied to the project in this year	Comments (if any)	
2007			
2008			
2009			
2010			

9.2. If the operating system vendor in the reference projects is other than Respondent:

9.2.1. Name of subcontractor: \_\_\_\_\_;

9.3. Attach required documents (mark  in the designated space if attached)

Required Document	Attached (mark <input checked="" type="checkbox"/> )
9.3.1. Detailed certification by Respondent's or subcontractor's Auditor as required by section 20.3.	<input type="checkbox"/>
9.3.2. Respondent, who cannot reveal details of the country due to confidentiality issues, or other information pursuant to the provisions of section 20, must attach the documents as required in section 20.2.4.	<input type="checkbox"/>

**10. Upgrading the Operating System (section 31 of the tender)**

10.1. Is it possible to install patches to the Operating System?

\_\_\_\_\_.

10.2. Method for upgrading the system:

\_\_\_\_\_

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

**11. Commitment to AQL (sections 22 and 32 of the tender)**

11.1. Respondent commits to an AQL of \_\_\_\_\_%.

11.2. The proposed AQL will be quoted in tenths of a percent.

**12. Subcontractors (section 25 of the tender)**

(Please fill out this section for each subcontractor)

12.1. Name of subcontractor: \_\_\_\_\_

12.2. Method of incorporation of subcontractor (corporation / association / partnership / other) \_\_\_\_\_

12.3. Identifying number (in the relevant register) \_\_\_\_\_

12.4. Country of incorporation of the subcontractor \_\_\_\_\_

12.5. Authorized signatories of the subcontractor and offices held with subcontractor:

	<b>Name</b>	<b>I.D. number</b>	<b>Position in company</b>	<b>Sample signature</b>
<b>12.5.1</b>				
<b>12.5.2</b>				
<b>12.5.3</b>				
<b>12.5.4</b>				

12.6. Attach required documents (mark  in the designated spot if attached)

Required Document	Attached (mark <input checked="" type="checkbox"/> )
12.6.1. Certificate of registration of the company.	<input type="checkbox"/>
12.6.2. Notarized / attorney certified affidavit regarding Respondent's authorized signatories.	<input type="checkbox"/>
12.6.3. Affidavit according to section 14.1 (Appendix E of the tender).	<input type="checkbox"/>
12.6.4. Affidavit according to section 14.2 (Appendix F to the tender).	<input type="checkbox"/>
12.6.5. Affidavit according to section 15 of the tender (Appendix G of the tender).	<input type="checkbox"/>
12.6.6. Affidavit according to section 25.2.2 of the tender.	<input type="checkbox"/>

**13. Test Plan (section 21 of the tender)**

Required Document	Attached (mark <input checked="" type="checkbox"/> )
13.1.1. Test Plan	<input type="checkbox"/>

**14. Warranty (section 29 of the tender)**

14.1. Proposed maximum storage time: \_\_\_\_\_ months.

14.2. Proposed warranty period (excluding maximum storage time):  
\_\_\_\_\_ years.

14.3. Attach required documents (mark  in the designated spot if attached)

Required Document	Attached (mark <input checked="" type="checkbox"/> )
14.3.1. Warranty Terms	<input type="checkbox"/>

**15. List of Documents to accompany proposal**

15.1. Below is a list of documents to be attached to the proposal:

Document	Section of the tender	Precondition	Attached / not attached (mark <input checked="" type="checkbox"/> if attached)
Certificate of registration of company.	12	<input checked="" type="checkbox"/>	
Certificate by attorney / notary regarding Respondent's authorized signatories.	12	<input checked="" type="checkbox"/>	
Affidavit concerning controlling shareholders of Respondent.	12	<input checked="" type="checkbox"/>	
Confirmation of registration for the tender.	13	<input checked="" type="checkbox"/>	
Affidavit – Appendix E of the tender.	14.1	<input checked="" type="checkbox"/>	
Affidavit – Appendix F of the tender.	14.2	<input checked="" type="checkbox"/>	
Authorization from holders of copyrights allowing use of their rights for the proposal (please attach to affidavit, Appendix G	14.2	<input checked="" type="checkbox"/>	

of the tender).			
Affidavit – Appendix G of the tender.	15	✓	
Commitment of industrial cooperation.	16	✓	
Certification by accountant regarding the scope of manufacturing of inlays.	17.2.1	✓	
Certification by accountant regarding the extent of delivery of the proposed inlay.	18.3	✓	
Certification by accountant regarding the extent of manufacture and delivery of the chip.	19.3	✓	
Certification by accountant regarding the scope of supply of the operating system.	20.3	✓	
Test Plan.	21	✓	
Attachment of samples	24	✓	
Documents regarding subcontractors	12.2.3, 14.1 - 14.3, 15	✓	
Subcontractor's affidavit according to section 25.2.2 of the tender.	25.2.2	✓	
Terms of proposed warranty.	29		

15.2. Respondents please note the additional documents to be attached to the proposal:

15.2.1. Price Proposal Form;

15.2.2. Technical specifications (with accompanying documents).

**Respondent / Corporation:** \_\_\_\_\_

**Authorized Signatories:** \_\_\_\_\_

**Signature and stamp:** \_\_\_\_\_

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

## **Appendix C -1 – Price Proposal Form**

The Price Proposal Form must be submitted in a **separate sealed envelope**, marked "Price Quote" (section 36.1 of the tender).

### **1. Respondent details**

1.1. Name of Respondent: \_\_\_\_\_.

1.2. Respondent registration number: \_\_\_\_\_.

### **2. Price quote**

2.1. The price for an individual unit of Inlay is \_\_\_\_\_€ (in words: \_\_\_\_\_€).

2.2. The price of an individual unit of inlay includes, in addition to the product itself, all of the services and components set forth in section 36.2 of the tender.

**Respondent / Corporation:** \_\_\_\_\_

**Authorized Signatories:** \_\_\_\_\_

**Signature and stamp:** \_\_\_\_\_

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

## **Appendix D: Technical Specifications**

Name of Respondent: \_\_\_\_\_

Respondent registration number: \_\_\_\_\_

### **1. General**

- 1.1. The form must be filled completely and legibly and submitted as part of the proposal to the tender.
- 1.2. Every section containing a blank space for insertion of the proposal indicates the extent of the detail expected from Respondent. However, one can exceed the space allocated in order to provide the Authority with a more complete picture inasmuch as deemed necessary by Respondent, of the product offered.
- 1.3. The sections listed below refer to the technical data appendix, Appendix A of the tender, unless stated otherwise.
- 1.4. Tables that contain blank lines to be completed may be replaced by a photocopy of the table with additional lines to include more details. The photocopy should be attached to the Proposal Form in the place designated for the table.
- 1.5. A Respondent so inclined may submit a printed response to the sections on the Proposal Form that contain a limited number of rows. The printed page must be attached to the Proposal Form in the designated space.
- 1.6. The requirements for the attachment of documents that appear in this appendix are provided solely for the convenience of the Respondents; the list of mandatory requirements is set forth in the tender itself.

### **2. The Inlay**

- 2.1. The components included in the Inlay (section 3.1.1):

\_\_\_\_\_

- 2.2. The method of packaging the Inlay (section 3.1.1):

\_\_\_\_\_

- 2.3. Configuration (section 3.1.2):  
\_\_\_\_\_
- 2.4. Dimensions (section 3.1.3):  
\_\_\_\_\_
- 2.5. Material of the proposed Inlay substrate (section 3.2):  
\_\_\_\_\_
- 2.5.1. Advantages of the substrate material:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 2.5.2. Disadvantages of the substrate material:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 2.6. Commitment for lifespan of the proposed product (section 3.3): at least \_\_\_\_\_ years.
- 2.7. Durability of the proposed Inlay (section 3.4):
- 2.7.1. Structure of the booklet that was tested:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 2.7.2. The test was conducted by (Respondent / Respondent customer / non-affiliated laboratory): \_\_\_\_\_
- 2.7.2.1. Name and details of test conductor, if relevant:  
\_\_\_\_\_
- 2.7.3. Mark ✓ if the test results are included:
- 2.7.4. **Durability** – Respondent declares that the proposed Inlay can withstand all the customary manufacturing stages in the

preparation of e-Passport, including the stages enumerated in section 3.5.

2.7.4.1. Signature of Respondent: \_\_\_\_\_

**2.7.5. Safety Requirements** – Is the proposed product in compliance with European Community EC/95/2002 directive (Restrictions on the use of Hazardous Substances ROHS) (section 3.6, answer yes / no)? \_\_\_\_\_.

2.7.5.1. Toxicity and safety data for the product during the manufacturing process:

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2.7.5.2. Toxicity and safety data for the product during use:

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2.7.5.3. Toxicity and safety data for the product during the shredding / destruction process:

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2.7.5.4. Please specify if there is a recycling (or other treatment) mechanism for handling defective components, that would protect the environment against exposure to toxic materials:

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**3. Chip**

3.1. Is the proposed chip the most recent version (yes / no) (section 4.1):

\_\_\_\_\_

3.1.1. List the revision history of the chip:

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

3.1.2. Future product road map (section 4.1.1.2):

3.1.2.1. The long term plan of the manufacturer of the proposed chip model:

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

3.1.2.2. The differences between the various generations of the chip:

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

3.1.2.3. Effects of the future plan, as set forth above, on the Purchaser (in respect to security, cost, availability, electrical applications, physical performance, physical data, use etc.):

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

3.2. Non volatile memory capacity (EEPROM) (section 4.2): \_\_\_\_\_

3.3. The Standard and type regulating the operation of the chip (section 4.3): \_\_\_\_\_

3.4. Communication speed supported by the chip (section 4.4): \_\_\_\_\_

- 3.5. ESD protection of the chip (section 4.5): \_\_\_\_\_
- 3.6. Does the chip have dedicated hardware for generation of random numbers (true random number generator) (section 4.6) (yes / no):  
\_\_\_\_\_
- 3.7. Unique identification (section 4.7):
- 3.7.1. Is there a unique serial number for each chip (yes / no)?  
\_\_\_\_\_
- 3.8. Security mechanisms – at what stages during the lifecycle of the chip and under what limitations and / or authentication mechanisms can the serial number of the chip be read?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 3.8.1. Additional data regarding the unique identification of the chip:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 3.9. **Certification** (section 4.8):
- 3.9.1. Has the chip been certified under the Common Criteria standards at a certification level of EAL5+, and if yes what was the protection profile used? (BSI PP0002 or similar)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 3.10. Type of antenna (section 4.9): \_\_\_\_\_

**4. Operating System**

4.1. Type of operating system (section 5.1): \_\_\_\_\_

4.2. Is the operating system in the proposed version or in an earlier version certified under the Common Criteria standards (yes / no) (section 5.2):  
\_\_\_\_\_

4.2.1. Level of certification: \_\_\_\_\_

4.2.2. Protection profile: \_\_\_\_\_

4.2.3. Version of the Protection profile: \_\_\_\_\_

4.3. Is the version of the operating system the most recent version (section 5.3) (yes / no): \_\_\_\_\_

4.3.1. List of the revision history of the proposed operating system (including details of other hardware and operating system platforms on which it is based):

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4.3.2. List the roadmap for future versions and the changes planned in them:

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4.3.2.1. Effects of the future plan, as set forth above, on the Purchaser:

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4.4. Support of hardware platforms (section 5.4)

4.4.1. The proposed operating system was ported to the following chips:

No.	Type of chip	Chip manufacturer	Did the version receive certification as detailed in section 5.2 of the tender Appendix A
1			
2			
3			

4.5. Is the operating system compliant with ISO14443 chapters 1-4 (including anti-collision support) (section 5.5)? (yes / no)

\_\_\_\_\_

4.5.1. Does the operating system contain anti-collision support?

\_\_\_\_\_

4.6. Can the operating system be delivered with transport key protection, which prevents the use of the chip during shipment from the manufacturer's facility to the Purchaser (section 5.6)?

\_\_\_\_\_

4.6.1. List of the initialization process required by Purchaser:

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

4.6.2. Specify the implementation process and exchange of keys (key ceremony) between the Purchaser and the manufacturer (as detailed and accurately as possible):

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4.6.3. Specify the protection process during shipment:

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4.6.4. Particulars of the individuals that are involved in the key ceremony process:

No.	Name	Position	Additional comments
1			
2			
3			
4			

4.7. Does the operating system support all the required files according to LDS version 1.7? (yes / no) \_\_\_\_\_

4.7.1. Respondent states that neither the operating system nor the middleware will interfere with the incorporation of the files specified in sections 5.7.1.1 - 5.7.1.9 into the Inlay.

4.7.1.1. Respondent signature: \_\_\_\_\_

4.8. Respondent states that the information written to the chip is protected by a BAC process for the reading of each of the files specified in sections 5.7.1.1 - 5.7.1.9 (except the DG3 file) as defined in the ICAO standard.

4.8.1. Respondent signature: \_\_\_\_\_

4.8.2. Respondent states that the reading of the DG3 file is protected by BAC together with an EAC process as set forth in section 5.9.

4.8.2.1. Respondent signature: \_\_\_\_\_

4.9. Respondent must list the capabilities of the operating system for each of the algorithms that it supports:

Algorithm supported	Exact definition of the algorithm	Key size	Execution time for each size of the supported keys

4.10. Respondent states that the proposed product (including the proposed operating system) is capable of performing the requirements of section 5.10.

4.10.1. Respondent signature: \_\_\_\_\_

4.11. The time needed to complete data entry (section 5.11.1):  
\_\_\_\_\_

4.12. Speed that a set of data is read as detailed in section 5.11.2:\_\_\_\_\_

4.12.1. Software used in the speed test conducted by Respondent:\_\_\_\_\_

4.12.2. The speed was tested by Respondent using:  
\_\_\_\_\_

4.12.2.1. Reader:\_\_\_\_\_

4.12.2.2. Device driver version:\_\_\_\_\_

4.12.2.3. Interface:  
\_\_\_\_\_

4.12.3. Attach device driver version (mark ✓ if attached):

4.13. Communication speed of the operating system (section 5.11.3):\_\_\_\_\_

4.14. Does the operating system support a random UID (section 5.12)? (yes / no)\_\_\_\_\_

**5. Middleware / SDK**

5.1. State the method used by the SDK / middleware to communicate with the chip (section 6.1):

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

5.2. Details of the interface (section 6.2 and section 35 of the tender):

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5.2.1. General description of the interface:

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5.2.2. Is the interface based on web service (yes / no)?

\_\_\_\_\_

5.2.2.1. If yes, describe how the interface enables automation and easy integration of the web service in the purchaser's IT systems (such as SOAP):

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

5.3. Are the SDK / middleware compliant with the conditions of section 6.3 regarding the ability to process raw data?

\_\_\_\_\_

5.4. Respondent states that the information set forth in sections 7.1 and 7.2 is understood and acceptable and does not inhibit the use of the proposed product.

5.4.1. Respondent signature: \_\_\_\_\_

**Appendix E: Affidavit pursuant to Section 14.1 of the Tender**

1. I \_\_\_\_\_ the undersigned, bearer of identity number \_\_\_\_\_, am making this affidavit in respect to the Tender for the supply of inlays for biometric travel documents.
2. I am submitting this affidavit on behalf of \_\_\_\_\_ corporation, whose identifying number is \_\_\_\_\_ (hereinafter – the Respondent). The corporation was incorporated in \_\_\_\_\_.
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, understood them and unconditionally accept the terms of the tender.
7. As of the submission of this proposal I am not aware of any impediment, such as a conflict of interest, which would prevent Respondent from being awarded the tender or satisfying any of its undertakings pursuant to the proposal or the tender or the appended contract or by law.
8. I declare that the Respondent only uses original licensed software.
9. I declare that all of the data set forth in the proposal was checked by me and is true and accurate.
10. This is my name, my signature, and the content of this affidavit is true.

\_\_\_\_\_  
Signature

**Certification**

I hereby certify that on the date of \_\_\_\_\_, Mr./Ms. \_\_\_\_\_ bearer of identity number \_\_\_\_\_, appeared before me \_\_\_\_\_, Advocate, 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 affidavit above and signed upon it in my presence.

\_\_\_\_\_

\_\_\_\_\_, Advocate

**Appendix F: Declaration pursuant to Section 14.2 of the Tender**

1. I \_\_\_\_\_ the undersigned, bearer of identity number \_\_\_\_\_, am making this affidavit in respect to the Tender for the supply of the inlay component for biometric travel documents.
2. I am submitting this affidavit on behalf of \_\_\_\_\_ corporation, whose identifying number is \_\_\_\_\_ (hereinafter – the Respondent). The corporation was incorporated in \_\_\_\_\_.
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. The Respondent is the owner or licensed to use, distribute or sell, all the rights (including intellectual property rights) to the tools, methods and components that will be used to execute this tender (if the Respondent is awarded the tender), in such manner that the following shall apply at all times:
  - 5.1. There is no impediment or restriction, of any kind, on the Respondent from using the product or the accompanying components in accordance with the tender Documents;
  - 5.2. Respondent can satisfy all of its obligations under the agreement and the proposal, in full and in a timely manner;
  - 5.3. Respondent may enter into an agreement (if awarded the tender) pursuant to the terms of the contract (Appendix I 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.);
  - 5.4. No impediment or restriction exists on the transfer of title in the product, its components or attendant parts, to the Purchaser or its representative or from Purchaser to third parties.
6. Below are the components of the proposed product (including all of the components required under the terms of the agreement) the rights to which belong to a third party:
  - 6.1. \_\_\_\_\_.
  - 6.2. \_\_\_\_\_.

6.3. \_\_\_\_\_.

6.4. \_\_\_\_\_.

6.5. \_\_\_\_\_.

7. Attached to this declaration are certifications from the owners of the rights to the aforementioned components, permitting Respondent to offer said components as part of its proposal.
8. This is my name, my signature and the content of my affidavit is true.

\_\_\_\_\_

Signature

**Certification**

I hereby certify that on the date of \_\_\_\_\_ Mr./Ms. \_\_\_\_\_ bearer of identity number \_\_\_\_\_, appeared before me \_\_\_\_\_, Advocate, 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 affidavit above and signed upon it in my presence.

\_\_\_\_\_

\_\_\_\_\_, Advocate

**Appendix G: Conflict of Interest - Section 15 of the Tender**

1. I \_\_\_\_\_ the undersigned, bearer of identity number \_\_\_\_\_, am making this affidavit in respect to the tender for the supply of the inlays for biometric travel documents.
2. I am submitting this affidavit on behalf of \_\_\_\_\_ corporation, whose identifying number is \_\_\_\_\_ (hereinafter – the Respondent). The corporation was incorporated in \_\_\_\_\_.
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 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 product, its accompanying components or the services contemplated by this tender.
7. This is my name, my signature and the content of my declaration is true.

\_\_\_\_\_  
Signature

**Certification**

I hereby certify that on the date of \_\_\_\_\_ Mr./Ms. \_\_\_\_\_ bearer of identity number \_\_\_\_\_, appeared before me \_\_\_\_\_, Advocate, 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 affidavit above and signed upon it in my presence.

\_\_\_\_\_

\_\_\_\_\_, Advocate

## **Appendix H: 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 inlays for Biometric Travel Documents (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

- 8.2. 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.
  - 8.3. 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.
  - 8.4. 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.
  - 8.5. 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.
  - 8.6. 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. 12. 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. 17<sup>th</sup> 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 \_\_\_\_\_ Fax \_\_\_\_\_

No.: \_\_\_\_\_ No: \_\_\_\_\_

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

Email: \_\_\_\_\_ Web \_\_\_\_\_

Site: \_\_\_\_\_

**Attachment A**

to the

**Industrial Cooperation Undertaking**

Related to Tender/RFP No. ....

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](http://www.ica.gov.il)**

Appendix I of the tender

Entered into in Jerusalem, Israel, on the \_\_\_\_ of \_\_\_\_\_, 2010

- Between -

**Government of Israel, by the Population, Immigration and Border Authority, through its authorized signatories, Director General of Population, Immigration and Border Authority and Accountant 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:** The State of Israel has decided to issue biometric travel documents, through the Population, Immigration and Border Authority (the "Authority"); and

**Whereas:** The Authority published a tender for the supply of inlays for the biometric travel documents, specifying the criteria to be satisfied by the Supplier and by the inlays proposed by Supplier; and

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

**Whereas:** Supplier agrees to supply the inlays 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) – Time schedule;

1.3.2. Schedule (2) – Performance bond;

1.3.3. Schedule (3) - Order form;

1.3.4. Schedule (4) - Request for personal security clearance;

1.3.5. Schedule (5) - Supplier's confidentiality undertakings;

1.3.6. Schedule (6) - Supplier's Representative's confidentiality undertakings;

1.3.7. Schedule (7) – Supplier's proposal to the tender.

**2. Definitions**

In this agreement the following terms are ascribed the meanings assigned to them:

2.1. **“Supply”** or **“To Supply”** – includes the manufacture, processing or acquisition, packaging, storage, transportation and delivery, or any other related action;

2.2. **“Delivery Facility”** – The government compound in Jerusalem as specified in the order.

2.3. **“Issuing Sites”** – Sites for the issuance of travel documents, in Jerusalem and Ben Gurion airport.

- 2.4. **“Purchaser”** or **“Authority”** - Population, Immigration and Border Authority in the Ministry of the Interior;
- 2.5. **“Purchaser’s Representative”** – Mr. Baruch Dadon, Projects Director in the Authority, or any individual appointed by the Director General of the Authority to oversee this agreement.
- 2.6. **“Travel Documents”** – A Passport or Travel Document as defined by the Passports Law 5712 – 1952;
- 2.7. **“Days”** – Calendar days, unless clearly stated otherwise.
- 2.8. **“Working days”** – Sunday to Thursday, excluding Jewish holidays.
- 2.9. **“Proposal”** - The proposal submitted by the Respondent who was awarded the tender.
- 2.10. **“Inlay”** or the **“Product”** – The product offered by the Supplier in its proposal and was approved by the Purchaser according to section 9.2. For the avoidance of doubt, the product will include a substrate with an antenna and will contain (in any type of packaging, as proposed by the Supplier) an e-Passport chip and a preloaded operating system;
- 2.11. **“Batch”** – A quantity of Inlay units, designated for one shipment;
- 2.12. **“Production Batch”** – A quantity of product units manufactured during one production run;
- 2.13. **“Middleware”** - The software program proposed by Supplier in its proposal. For the avoidance of doubt, reference is made to a dedicated software for embedding personal data in the chip (personalization), preparing the chip for use and reading the chip, and / or an SDK (Software Development Kit) or an established method for integrating this middleware in the issuing infrastructure;
- 2.14. **ICAO** - International Civil Aviation Organization.
- 2.15. **“Booklet Supplier”** – The Government Printing House, or any other body, chosen by the Government of Israel, to supply the Passport booklet for the e-Passport.
- 2.16. **“AQL”** (Acceptable Quality Level – measure of reliability of the product) – the percentage of defective components in each production batch, on the basis of standard sample sizes, the deviation from which will lead to the rejection of the entire production batch.

- 2.17. **“COC” (Certificate of Compliance)** – A certificate signed by the highest ranking officer of the organization responsible for quality assurance, attesting to the compliance of the product with the required functionality and quality control standards.
- 2.18. **“COT” (Certificate of Test)** - A certificate signed by the highest ranking officer of the organization responsible for quality assurance, attesting that the product is in compliance with the tests stipulated for the product.
- 2.19. **“Defective Product”**- One of the following:
- 2.19.1. A product that fails to meet Purchaser compliance tests, if said tests were in fact conducted;
- 2.19.2. A product found to be defective during the travel document issuing process or up to ten (10) years subsequent thereto, for reasons unrelated to the production, issuance or use of the booklets.
- 2.20. **“Serial Defect”**- Each of the following:
- 2.20.1. The percentage of defective products in a single production batch (which has been delivered to Purchaser) exceeds one percent (1%) of the total number of products manufactured in the same production batch, irrespective of the discovery date of the defect;
- 2.20.2. The percentage of defective products out of all the products supplied during the preceding twelve (12) months exceeds one percent (1%), irrespective of the discovery date of the defect;
- 2.20.3. The percentage of defective products discovered over a period of twelve (12) consecutive months exceeds one percent (1%) of the annual mean number of travel documents issued in Israel during the preceding thirty six (36) months.
- 2.21. **“Means of Control”** – in a corporation, any of the following:
- 2.21.1. The right to vote at the general assembly of a company or at an equivalent meeting of another entity;
- 2.21.2. The right to appoint a director or general manager in an entity;

- 2.21.3. The right to participate in the distribution of profits of the corporation;
- 2.21.4. The right to participate in the surplus assets of an entity at liquidation after its liabilities are discharged;
- 2.22. **“Control”** – 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 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;
  - 2.22.1. 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 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;

### 3. **Term of Agreement**

- 3.1. The parties hereby enter into a five (5) years agreement commencing from the date of its signing by the authorized signatories (hereinafter: the **“Original Contract”**).
- 3.2. Notwithstanding the above, Purchaser reserves the right to extend the Original Contract period for two additional periods of twenty four (24) months each, not to exceed a total combined period of nine (9) years (including the Original Contract period).
- 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 18, 19, 23 and 27 below constitute such commitments.

**4. Representations of Supplier**

Supplier represents:

- 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, including the delivery of the product stipulated by the tender as well as all the necessary components as stipulated by this agreement.
- 4.2. That Supplier possesses the professional knowledge, experience, expertise, and skills required to supply the product; that Supplier has all the necessary tools at its disposal, and that it possesses the relevant ability and skill to fully and in a timely manner, fulfill its commitments under this agreement;
- 4.3. 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 submitted by Supplier;
- 4.4. Supplier represents and warrants that it has signed this agreement after carefully reviewing the text of the tender with all of its appendices and clarifications, that it has understood them, has received all of the explanations and instructions required in order to prepare its 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 product;
- 4.5. 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.

**5. The Product**

- 5.1. Supplier undertakes to supply inlays that were authorized by Purchaser as set forth in section 9.2 below.

- 5.2. The preinstalled operating system in the chip must be protected by a transport key to prevent unauthorized use of the chip during shipment from the production facility to Purchaser's facility.
- 5.3. Supplier undertakes to deliver the product using the most recent version for its operating system.
- 5.4. Supplier that has proposed a product with a chip containing an operating system that may be upgraded by patches undertakes to supply Purchaser with each new patch of the operating system when so released, including all associated documentation.
- 5.5. Supplier will, if necessary, revise the documentation given to Purchaser prior to the signing of the contract, in the event that the operating system is upgraded, and will specify any ramifications of the update on the operation, performance and compatibility of the product.
- 5.6. Supplier may not modify the configuration of the inlays supplied by it in any way, without prior written permission from Purchaser.
- 5.7. Without derogating from the aforesaid, Supplier will provide Purchaser with revised documentation for any modification made to a component in the product, including operating instructions and directions for achieving the best operating results from the product.

## **6. Middleware Software**

- 6.1. Supplier commits to supply Purchaser with Middleware Software as detailed in its proposal, including licenses for installation in four sites (main issuing facility, a secondary issuing facility and two integration and development sites), as well as complete technical and operational documentation for the software, in English.
- 6.2. Middleware will be installed on Purchaser's servers, during the development stage of the travel documents, as set forth in section 9.8.
- 6.3. Supplier undertakes to update Purchaser whenever it executes any such upgrade.
- 6.4. Supplier undertakes to provide the Purchaser with upgrades of the Middleware Software (including all documentation thereof), so that it is compatible with the chip and its operating system in the product supplied by it, as well as future upgrades which will be compliant with

future upgrades of the Operating System that will be implemented by Purchaser.

- 6.5. Supplier will also provide technical support for the Middleware, as part of the professional guidance and training as set forth in section 20, without derogating from the provisions of section 9.9 below.

## **7. Contract Milestones**

- 7.1. The Contract is divided into two key phases:
  - 7.1.1. The (initial) setup phase;
  - 7.1.2. The ongoing supply phase.
- 7.2. The setup phase will commence upon the signing of this agreement.
- 7.3. The setup phase will terminate following the successful delivery of three hundred thousand (300,000) inlays, but no later than ninety (90) days after the execution of this agreement, except upon prior written notice by the Purchaser.
- 7.4. Notwithstanding the above, transition from the setup phase to the ongoing supply phase is contingent upon written confirmation by Purchaser that the setup phase has terminated.

## **8. Stages of the Setup Phase**

- 8.1. The Setup Phase will be split into two main stages:
  - 8.1.1. The Travel Document Development Stage – detailed in section 9.
  - 8.1.2. The Trial Stage – detailed in section 10.
- 8.2. The Travel Document Development Stage commences with the onset of the Setup Phase (7.2 above) and expires upon commencement of the Trial Stage, thirty (30) days following the execution of the agreement, except upon prior written notice from the Purchaser.
- 8.3. Notwithstanding the above, a prerequisite to the transition from the Travel Document Development Stage to the Trial Stage is receipt of written notification from the Purchaser that the Travel Document Development Stage has been completed.

## **9. Travel Document Development Stage**

- 9.1. During the Travel Document Development Stage the parties will act to adapt the product to the other components of the travel document so that the inlay will be integrated as best as possible into the travel document.
- 9.2. At the start of this stage, Purchaser will send Supplier its comments, if any, about the proposed product; Supplier undertakes to repair or take any action necessary during this phase, so that the product is integrated as best as possible into the travel document.
- 9.3. The repair of the product and its compliance with the instructions given by Purchaser is a fundamental term of the agreement; the product will be deemed in compliance with Purchaser's requirements only upon written approval by the Purchaser, as set forth in section 8.3 above.
- 9.4. Supplier will submit within fourteen (14) days of the commencement of the Travel Document Development stage, its detailed proposed plan for transporting the product to Purchaser, unless otherwise governed by sections 15.1 and 5.2 of the agreement.
- 9.5. Supplier will send for approval of Purchaser, within fourteen (14) days of the start of the Travel Document Development stage, its packing specifications for the product, including the number of units in each package and the method for marking the package, unless otherwise specified in section 14 of the agreement; the specifications approved in writing by the Purchaser will be called hereinafter – the **Packing Specifications**.
- 9.6. Supplier will send for approval of Purchaser within fourteen (14) days of the start of the Travel Document Development stage, a proposed reporting format that will be attached by Supplier to each batch delivered (and will also be sent for each batch via electronic means), as stipulated in section 14.4; the reporting format approved in writing by the Purchaser will hereinafter be called – the **Reporting Format**.
- 9.7. Supplier will send for approval of Purchaser within fourteen (14) days of the start of the Travel Document Development stage, specifications for storing the product; these specifications, once approved in writing by the Purchaser, shall hereinafter be called – the **Storage Specifications**.

- 9.7.1. Supplier undertakes, at its own expense, to examine the storage area, facilities and conditions and to approve suitability of these to the storage specifications, prior to shipping products.
- 9.8. Supplier undertakes to install the middleware on the Purchaser's servers at the issuing facilities. For this purpose, Purchaser will post its technical/professional employee on site, as specified in section 9.9.1.2.
- 9.9. Supplier undertakes to provide the Purchaser with professional guidance, training and support (including recommendations and advice prior to the Travel Document Development stage) to the extent and at the times requested by Authority during the Setup Phase.
  - 9.9.1. Without derogating from the generality of the above, the professional guidance during the Setup Phase shall include:
    - 9.9.1.1. Support throughout the travel document production process, including the production of the Blank Passport and support during the integration of the inlay into the booklet (at the booklet supplier site). Supplier undertakes to send an engineer to Israel, at its expense, who specializes in the integration of inlays into passports, for the aforementioned support at Purchaser's facility, for a period not to exceed five (5) consecutive days in Israel (at a time to be determined by Purchaser).
      - 9.9.1.1.1. Travel days will not be counted as work days.
    - 9.9.1.2. Support and guidance in the establishment of the Personalization process, including the installation of the middleware. Supplier undertakes to send a systems programmer to Israel who specializes in personalization as well as in the specific middleware proposed by the Supplier and approved by the Purchaser, to provide the aforementioned support at the Purchaser's facility, for a period not to exceed five (5) consecutive

days in Israel (at a time to be determined by Purchaser).

9.9.1.2.1. Travel days will not be counted as work days.

9.9.2. The professional guidance set forth in section 9.9.1 shall not be counted as onsite support visits set forth in section 20.3 and will not be counted as support days (excluded from the “pool” of support days); Authority may utilize the support days and onsite visit days set forth in section 20.3 during the setup phase as well.

9.9.3. The professional guidance set forth in section 9.9.1 above will be offered at no additional cost.

9.9.4. The provisions of sections 20.5 - 20.8 shall apply, mutatis mutandis, in respect to the professional guidance detailed in section 9.9.1.

## **10. Trial Stage**

10.1. Three hundred thousand (300,000) inlays, must be delivered to the Authority in up to three (3) batches, prior to the completion of the Trial Stage (as contemplated in sections 7.3 and 7.4) subject to the provisions of section 10.2 below.

10.2. Supplier undertakes to supply the first batch of the above Trial Stage batches, within sixty-five (65) days from the signing of the agreement; or at a later date, if given a forty five (45) day prior written notice by Purchaser; the first batch shall not contain less than one hundred thousand (100,000) units.

10.3. The provisions of section 12.2.1 will apply mutatis mutandis to the supply of products during the Trial Stage.

## **11. Ongoing Delivery Phase – Ordering the Product**

11.1. Orders placed during the Ongoing Delivery Phase for the product will be placed at least 90 days prior to required delivery date, by way of the order form, Schedule (3) of the contract, or on any other duly signed form, on which Purchaser has sent prior written notice to Supplier.

- 11.2. Orders will be placed by Purchaser's authorized representative in writing, specifying the quantity requested in the batch ordered, the location and date for delivery.
- 11.3. Supplier must notify Purchaser as early as possible of the production dates for its order, so that Purchaser can arrange a visit to the production facility as set forth in section 16.2.
- 11.4. An order during the Ongoing Delivery Phase may not be made for less than five hundred thousand (500,000) units.

**12. Delivery of the Product during the Ongoing Delivery Phase**

- 12.1. Delivery of the product during the Ongoing Delivery phase shall be made only after the Supplier receives an actual order from the Purchaser.
- 12.2. Supplier undertakes to deliver the product in the quantities, on the dates and to the location specified in the order.
  - 12.2.1. Supplier may deliver the product earlier than the date specified in the order only upon prior written approval from the Purchaser.
- 12.3. Supplier will deliver the product to the delivery facility noted in the order.
- 12.4. Confirmation of receipt of the product by the Booklet Supplier on behalf of the Purchaser will be sent upon receiving the product. This notification constitutes proof of acceptance of the product only and shall not be deemed evidence of Supplier's compliance with the quality of the product sent.
- 12.5. Without derogating from Supplier's undertaking pursuant to section 12.2, Supplier undertakes to notify Purchaser of any delay in the delivery of the products, as early as practically possible; In such instance, Purchaser may, at its sole discretion, allow Supplier to deliver the products at a later date than the date specified in the order, and the new date shall then be designated as the order date.
- 12.6. Without derogating from the provisions of sections 12.2 and 12.5 or from any other relief available to Purchaser, it is agreed that in the event of a delay Supplier will compensate Purchaser, with no additional need to prove damages, as follows:

- 12.6.1. For a delay not exceeding fourteen (14) days from the date specified in the order Supplier will pay Purchaser a monetary compensation equivalent to ten percent (10%) of the value of the order, not including VAT;
- 12.6.2. For a delay of fifteen (15) days to thirty (30) days from the date specified in the order, Supplier will pay Purchaser a monetary compensation equivalent to thirty percent (30%) of the value of the order not including VAT;
- 12.6.3. For a delay of more than thirty (30) days from the date specified in the order, Supplier will pay Purchaser a monetary compensation equivalent to fifty percent (50%) of the value of the order not including VAT;
- 12.7. The liquidated damages set forth in section 12.6 above may be offset in accordance with section 36.
- 12.8. A delay exceeding forty-five days from the date specified in the order constitutes a fundamental breach of the agreement.

**13. Tests conducted by Supplier**

- 13.1. Supplier undertakes to carry out tests on the product during the production process and prior to delivery, as follows:
  - 13.1.1. Testing the operability of the chip – response to ATR / ATS.
  - 13.1.2. Verifying the correct lifecycle state of the chip.
  - 13.1.3. Other standard tests performed by Supplier as specified in its proposal to the tender.
- 13.2. Supplier will conduct the above tests on every product delivered.
- 13.3. Each batch sent by Supplier will be accompanied by a COC certificate signed and certified by Supplier's quality control manager, with the final test results including COT, demonstrating that the shipped products have successfully passed the tests specified in section 13.1.
- 13.4. Supplier undertakes not to ship any production batch that failed the tests.

13.5. Purchaser or its representative may supervise the tests conducted by Supplier, at Supplier's facility, or at any subcontractor, upon providing prior written notice to Supplier.

13.5.1. It is understood that Purchaser's supervision does not detract from the liability of Supplier or its undertakings pursuant to this agreement.

#### **14. Product Packaging and Product Information**

14.1. Supplier undertakes to ship the products in shipments divided into inner packages containing 500 units each, with the production batch number printed on each inner package.

14.2. Supplier undertakes to ship the products in sealed, tamper evident packages.

14.3. Supplier undertakes to ship the products consistent with the packaging specifications.

14.4. The product details and production batch number will be sent by a digital file in CSV format, in accordance with the reporting format.

#### **15. Transportation and Storage**

15.1. Supplier shall pay for and be responsible for the shipment of the product from Supplier's facility to the facilities of the booklet supplier.

15.2. Purchaser will store the products according to the storage specifications.

15.2.1. Improper storage that does not conform to the storage specifications shall not constitute a breach of contract, however the warranty provided by Supplier and the provisions of section 18 shall not apply to products which are stored contrary to the storage specifications, provided that the defect in the product was caused by Purchaser's improper storage conditions.

#### **16. Inspections by Purchaser**

16.1. Purchaser is permitted to inspect the delivered products by itself or by others on its behalf.

- 16.2. Purchaser is permitted, upon providing prior written notice, to visit Supplier's or the subcontractor's facility during production, to ascertain that Supplier is in compliance with the agreement.
- 16.3. Any inspection or monitoring conducted by Purchaser shall not derogate from Supplier's liability or its undertakings under this agreement.

**17. AQL Acceptable Quality Level**

- 17.1. The AQL standard is \_\_\_\_\_ [in accordance with the Supplier's proposal, up to 0.5%].
- 17.2. A production batch that deviates from the above standard (namely, an AQL percentage which is higher than that stated in 17.1 above) will be rejected in its entirety (hereinafter – **Disqualified Batch**) and shall not be shipped to Purchaser.
- 17.3. Purchaser is entitled to destroy a disqualified batch that was shipped to it, at Supplier's expense.
  - 17.3.1. Purchaser will send fifteen (15) days prior written notice to Supplier, of its intent to destroy a disqualified batch and will append to such notice the results of the test that led to the aforementioned decision to reject the batch; Supplier is entitled to respond to said notice, nonetheless, Purchaser retains the right to make the final decision regarding the rejection of the batch.
  - 17.3.2. Supplier may send a representative at its own expense to Israel, in coordination with Purchaser to witness the destruction of the disqualified batch. To dispel any doubt, the arrival of such representative shall not be considered as one of the visits included in the price of the agreement, as set forth in section 20.
  - 17.3.3. Supplier will reimburse Purchaser for the monies paid for the disqualified batch that was delivered to Purchaser.
  - 17.3.4. Purchaser may demand that Supplier replace the units which were destroyed as a disqualified batch within twenty one (21) days and the provisions of section 12.2.1 shall apply, mutatis mutandis.

- 17.3.5. If a production batch is so disqualified by Purchaser, Supplier will conduct a detailed investigation into the defect and its occurrence, and will send Purchaser the results within twenty one (21) days.
  - 17.3.6. The delivery of two disqualified batches in less than twelve (12) consecutive months shall constitute a fundamental breach of the agreement.
  - 17.3.7. The cost of destroying the batch may be offset in accordance with section 36 of the agreement.
- 17.4. The disqualification of a batch shall not derogate from the responsibility of Supplier to deliver the products at the same quality, quantity, and by the date stipulated in the terms of the order or from the measures available to Purchaser for breach of the obligations of the Supplier.

## **18. Defective Products**

- 18.1. A defective product or a travel document containing a defective product shall be rejected and sent back to Supplier at its expense (either individually (one-by-one) or collectively, at Purchaser's discretion).
- 18.2. Purchaser will be credited for defective products according to the terms of the warranty specified in Supplier's proposal to the tender.
- 18.3. Should more than five hundred (500) defective products be found within a six (6) month period, Supplier will conduct a detailed investigation into the defect and its occurrence, and will send Purchaser the results within twenty one (21) days.
  - 18.3.1. The provisions of section 18.4 below shall apply in the event that the investigation reveals a high likelihood of a serial defect; Purchaser retains the right to make the final decision regarding the probability of occurrence of a serial defect.
- 18.4. The following provisions shall enter into effect upon the discovery of a serial defect, at Purchaser's sole discretion:
  - 18.4.1. Supplier will conduct a detailed investigation into the defect and its occurrence, and will send Purchaser the results within twenty one (21) days.

18.4.2. A recall of all the defective products manufactured in the batch or in the production year (as warranted) will be instituted at Supplier's expense, and Supplier will pay Purchaser 150 New Israeli Shekels for each recalled travel document.

18.4.2.1. To avoid any doubt, the compensation set in section 18.4.2 constitutes a reasonable estimate of the projected damage to Authority should a recall be conducted; this compensation will not derogate from any other measures available to Purchaser, including executing of the performance bond (as contemplated in section 32) in the event that said damages exceed the value of the compensation.

## **19. Warranty**

19.1. Supplier will provide a warranty for the product as detailed in its proposal to the tender.

19.2. To dispel any doubt, Supplier's undertakings pursuant to section 18 shall remain in effect even after the warranty period, unless explicitly stated otherwise in section 18.

## **20. Training and Professional Guidance**

20.1. Supplier will provide Purchaser with professional guidance, support and professional training as needed.

20.2. Without derogating from the generality of the above, Supplier will provide guidance and training by e-mail or telephone, as per Purchaser's request, for no additional cost.

20.3. Additionally, it is agreed that the foregoing training set forth in section 20.1, of up to forty (40) work days and up to ten (10) visits to Israel, to provide support or training in the issuing or storage facilities, will be provided at Suppliers expense.

20.3.1. The support contemplated by section 9.9.1 shall not be counted as part of the work days and visits to Israel as set forth above.

- 20.3.1.1. Travel days will not be counted as working days.
- 20.4. In case extra support is required by Purchaser, beyond the support contemplated by sections 20.2 and 20.3, the Authority will pay Supplier:
- 20.4.1. One thousand (1,000) Euros for each day (actual working days) required beyond the forty (40) days included in the proposal;
- 20.4.2. One thousand (1,000) Euros, as a lump sum for each visit to Israel for support at Purchaser's facility (including hotels, flights, per diem and all travel expenses), for visits beyond the first ten (10) visits which are included in the proposal.
- 20.5. Purchaser will send ten (10) days prior written notice to Supplier of 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 be deemed a visit under the provisions of section 20.3 nor will any payment be made pursuant to section 20.4, as the case warrants.
- 20.6. Supplier undertakes to provide support and guidance at the Purchaser's facilities on the dates fixed by Purchaser.
- 20.7. Supplier is responsible for coordinating a visit pursuant to notice given by Purchaser in accordance with section 20.5 (including flights, accommodations, and security requirements specified in section 21).
- 20.8. To dispel any doubt, a visit by Supplier personnel for the purpose of sales, repairs covered by warranty, checking compliance with AQL etc., will not be counted in the number of visits or working days contemplated by section 20.3 and will not entitle Supplier to any payments pursuant to section 20.4.

## **21. Security Clearance**

- 21.1. Supplier represents that it is aware that some of the facilities involved in the issuance of travel documents, including the booklet production facility and the Issuing Site, are classified sites, and Supplier agrees that access for its staff and its subcontractor's staff (in this section - **Service Staff**) must be authorized in advance by the Authority's security officer.

- 21.2. Supplier undertakes to submit the form appended as Schedule (4) of the agreement, to Purchaser, for each of its staff, at least 10 working days prior to their arrival at Purchaser's facility.
- 21.3. Prior to each such visit to Purchaser's facilities, Supplier undertakes to check the security requirements at the site and to send details of the service staff visiting to the security officer for appropriate security clearance.
- 21.4. Purchaser may, for security reasons, reject any service staff, without explanation or reason, and such decision shall be final.
- 21.5. The Authority's security officer retains sole discretion with respect to security related guidelines, including dates for receiving the names and personal details, and duration and procedures of the visit/inspection.

## **22. Supplier Representative**

- 22.1. Supplier undertakes to appoint an officer 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 (hereinafter: the **Representative**)
- 22.2. Upon the signing of the agreement, Supplier will notify Authority of the name of the representative and will inform Authority of his replacement or termination of his service immediately, upon any change in status.

## **23. Confidentiality**

- 23.1. Supplier undertakes to keep confidential and not transmit, or bring to the attention of any individual or to any third party, 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 (5)** of this agreement.
- 23.2. Supplier's signature, the Supplier Representative's signature (as set forth in section 42.2) or the subcontractor's signatures on the undertakings of confidentiality appended as **Schedules (5) and (6)** of this agreement is a precondition to the validity of this agreement.

## **24. Information and Copyrights**

- 24.1. Any information collected, generated or collated by Supplier in relation to this agreement in respect to the Israeli travel documents (hereinafter the “**Information**”) belongs solely to Purchaser and is held in trust by Supplier for Purchaser; Purchaser can make use of the information as it so desires, within the limitations of the law or a non-disclosure agreement between the Supplier and the Purchaser.
- 24.2. Supplier shall not possess any proprietary right, copyright, commercial or economic development rights or any other rights to Information generated or collected by Supplier during the course of the execution of or resulting from the agreement, and the Information may not be used for any purpose other than in the performance of its undertakings pursuant to the agreement, except with prior written permission from Purchaser’s representative.
- 24.3. Upon expiration of the contractual relationship or pursuant to a direct written request of Purchaser, Supplier will transfer any 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 the Information generated or collected during the contractual period, other than upon prior written authorization from Purchaser’s representative to do so.
- 24.3.1. Upon completing the aforementioned transfer of Information, Supplier will deliver a signed affidavit to Purchaser, by which it declares that all the Information in its possession or in the possession of its employees or subcontractors was delivered to Purchaser and that no Information, as defined in section 24.1, has been retained by Supplier, Supplier’s employees or subcontractors.
- 24.4. Supplier must store the Information in a secure manner, and must refrain from transmitting it to any party not involved in the execution of this contract, except upon prior, express written authorization from Purchaser.
- 24.5. Supplier shall notify Purchaser immediately and in writing, of any compromise of the security of the information.

**25. Conflicts of Interest**

Supplier undertakes to refrain from any conflict of interest while providing the services according to this agreement, and undertakes to immediately inform Authority of any matter that may place it, a controlling shareholder or its authorized signatories, in a conflict of interest situation.

**26. Renewing Certifications and Licenses and Regulations Compliance**

26.1. Supplier must maintain and renew all certifications or 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.

26.2. 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.

26.2.1. Supplier will comply with any modifications made to said regulations or law and will notify Purchaser in writing, of any such change and its implications.

**27. Proprietary Rights of Supplier**

27.1. Supplier represents that it is the owner, or licensed user, distributor and seller, of all the rights (including intellectual property rights) to the tools, methods, and components that are used in the performance of this contract.

27.2. Supplier represents that no obstacle or limitation exists to the transfer of the proprietary rights in the product, its components or accompanying parts, to Purchaser or its representative or from Purchaser to third parties.

27.3. Supplier undertakes not to infringe upon copyrights, patents, or trade secrets during the satisfaction of its obligations under this agreement.

27.4. Under no circumstances shall the Purchaser bear any costs for a breach of the foregoing.

27.5. Supplier undertakes to agree to become a third party in any litigation initiated against Purchaser for infringement of copyright, and commits to reimburse Purchaser for any sums it is charged for said breach.

## **28. Liability**

28.1. The 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 in connection with this Agreement, including, without limitation, in respect to:

28.1.1. Personal injury to or the death of any person;

28.1.2. Any loss or damage to property or otherwise;

28.2. 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.

## **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 - Population, Immigration and Border Authority and to present the policies to Purchaser with all of the coverage and terms required with the following limits of liability:

29.1. Supplier will insure its liability for the supply of inlays for the biometric travel documents including professional guidance in accordance with the terms of the tender and the agreement with the State of Israel – Ministry of the Interior - Population, Immigration and Border Authority, with a combined professional liability and product liability policy.

29.1.1. The policy will cover the liability of Supplier, its employees and any person acting on its behalf:

- 29.1.1.1. With regard to a professional act or failure – coverage for a breach of professional responsibility, error by omission, neglect and negligence;
    - 29.1.1.2. Liability for a defective product – coverage for damages caused by products manufactured, developed, assembled, repaired, supplied, sold, distributed or otherwise handled by Supplier or anyone operating on its behalf;
    - 29.1.1.3. Supplier's activities, those of its employees or anyone operating on its behalf.
  - 29.1.2. The limits of liability for each event and per year shall be no less than five million (5,000,000) U.S. dollars;
  - 29.1.3. The period of discovery shall be extended for at least twelve (12) months;
  - 29.1.4. Cross Liability; however, the policy will not cover Supplier claims against the Ministry of the Interior - Population, Immigration and Border Authority.
  - 29.1.5. The policy will be expanded to indemnify the State of Israel – Ministry of the Interior - Population, Immigration and Border Authority inasmuch as they shall be considered responsible for the act and/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 - Population, Immigration and Border Authority in addition to the name of the insured.
  - 29.2.2. The reduction or cancellation of coverage by one of the parties shall not be valid unless at least 60 days prior notice is sent by registered letter to the Accountant of the Population, Immigration and Border Authority, a copy thereof has also been sent to the Purchaser representative; and the Purchaser has given its prior written approval for any such reduction or the cancellation.

- 29.2.3. The insurer waives all rights to subrogation, claim, participation or reimbursement against the State of Israel – Ministry of the Interior - Population, Immigration and Border 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 - Population, Immigration and Border 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 an affidavit signed by the carrier regarding the activation of the aforementioned insurances will be provided to Purchaser 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 - Population, Immigration and Border 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 - Population, Immigration and Border Authority remains in effect. Supplier undertakes to present copies of the renewed policy certified and signed by the insurance carrier or an affidavit attesting to their renewal signed by the carrier, to the State of Israel – Ministry of the Interior - Population, Immigration and Border 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

- Population, Immigration and Border 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 authorization, shall not be binding, and will constitute a fundamental breach of the agreement, and the Authority will not honor said assignments nor make any payments for products provided in this manner.

**31. Subcontractors**

31.1. Supplier may, in order to meet its commitments pursuant to the terms of this agreement, contract with the subcontractors listed in its proposal notwithstanding the provisions set forth in section 30; Nonetheless, Supplier may not contract with subcontractors who are not listed in its proposal without permission from Authority as stated in section 30.

31.2. Supplier gives its consent to Authority or any other body acting on its behalf, to contract directly with the subcontractor, in case of a breach of this agreement.

31.3. Supplier hereby represents that there are no provisions in the agreements between Supplier and the subcontractors, directly or indirectly, that would prevent or hinder their undertaking to supply the goods and services directly to Authority or to another body acting on its behalf.

31.4. The use of subcontractors does not derogate from the obligations of Supplier or its exclusive responsibility to Authority; failure of a subcontractor to meet its obligations shall not absolve Supplier from its obligations under this agreement.

**32. Performance Bond**

32.1. To secure all of its obligations pursuant to this agreement, Supplier undertakes to deposit, prior to the signing of this agreement, an unconditional bank/insurance bond, in favor of Authority in the amount

of NIS\_\_\_\_\_ [a multiplication of three million (3,000,000) by 2.5% of the price of the product unit proposed by Supplier] with an Authority representative, which shall be valid from the day it is provided until two months after the termination of the contract (“**Initial Performance Bond**”).

32.2. Upon termination of the contractual period, Supplier undertakes to replace the initial performance bond with an unconditional bank bond, in the sum of NIS \_\_\_\_\_ [10% of the Initial Performance Bond], valid from the day it is provided until five (5) years after the termination of the contract (“**Second Performance Bond**”). The initial performance bond will be returned to Supplier upon delivery of the second performance bond.

32.2.1. Failure by Supplier to provide the second performance bond constitutes a fundamental breach of the agreement, creating grounds for forfeiture of the initial performance bond.

32.3. The text of both the initial performance bond and the second performance bond shall be as set forth in **Schedule (2)** of the agreement.

32.4. The contract shall not enter into effect until delivery of the initial performance bond to the Authority.

32.5. An extension of the contractual period, beyond the original contractual period, shall be contingent upon the extension of the initial performance bond so that it covers the additional period. Failure to extend the initial 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 initial or second performance bond (as warranted), in whole or in part, as liquidated damages, if Supplier breaches any of the terms of the agreement, after sending prior 14 day notice to rectify the breach, and to allow Supplier to make a written claim before its representative.

32.7. The amount of the initial 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 (2)** of the agreement, to supplement the amount of the bond so that it will equal the amount of the initial or second bond, as the case warrants.
- 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 product as contemplated by section 34.
- 33.2. Authority will order at least three million (3,000,000) products during the original contractual period.

**34. Consideration**

- 34.1. Consideration to be paid by the Authority for the performance of the contract is as specified in Supplier's proposal to the tender, Schedule (7), to wit, \_\_\_\_ for each inlay unit;
- 34.2. Upon the signing of the agreement Supplier will send written notice to Purchaser stating whether it chooses to receive the consideration in **Euros** or wishes to convert its proposal to **new Israelis shekels (NIS)** according to the representative rate of NIS on the day of signing of the contract (hereinafter - **contract currency**). The decision will bind Supplier throughout the duration of the agreement.
- 34.2.1. The contract currency will serve for payments due to Supplier as well as payments owed by Supplier to Purchaser.
- 34.3. The foregoing prices are final and reflect all of the various factors set forth in the agreement, in addition to the product supplied, unless specifically stated otherwise in this agreement. Notwithstanding the generality of the foregoing, the price of the product includes:

- 34.3.1. The middleware including maintenance of the software, regular support and all updates/upgrades;
  - 34.3.2. Product warranty as set forth in section 19;
  - 34.3.3. Professional guidance during the organization phase as set forth in section 9.9.1.
  - 34.3.4. Professional guidance by e-mail or telephone (as per the request of the Purchaser) as well as professional guidance for forty (40) working days (including up to ten onsite visits to the issuing or storage facilities in Israel), as set forth in section 20.
  - 34.3.5. All costs (direct and indirect) incurred in the shipping of the product from Supplier's facility to the place of delivery, including all taxes and levies (import taxes, duties, purchase tax etc.), shipping costs, storage (until delivery at Purchaser's facility) and release from the port, shipping and storage in Israel (not by Purchaser), bonds and various insurance policies.
- 34.4. The price does not include VAT.
- 34.5. It is understood that 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.
- 34.6. To dispel any doubt, payments shall not be made for currency linkage differentials or for cost of living adjustments.
- 34.7. Compensation shall be remitted each month to Supplier in accordance with the number of product units delivered by it in the previous month; payments will be made within 24 – 45 days of receipt of an invoice in the Ministry of Interior ("**Ministry**"), subject to approval by Purchaser's representative that the product was delivered according to the order details; was fully operational; and a detailed invoice was received.

- 34.8. A detailed statement of the batches supplied by Supplier containing the dates of delivery must be attached to the invoice. The statement must be certified by the Authority representative.
- 34.9. 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 Accountant 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.
- 34.9.1. 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.
- 34.10. Payments for work performed shall be remitted in the manner as is customary in the Israel government ministries, in accordance with the guidelines of the Accountant General in respect to the acquisition of goods and services in effect from time to time, and subject to the Budget Law and its regulations.
- 34.11. Notwithstanding the above, the total budget for the execution of this agreement will not exceed \_\_\_\_\_+ VAT for the entire period of the agreement, with the Government retaining sole discretion to expand the scope of the contract for additional sums that will not exceed 50% of the value of the contract including VAT, subject to the signatures of the authorized signatories, and subject to the needs of the Purchaser and budget limitations.
- 34.12. Supplier shall not be entitled to any other compensation other than the monetary compensation explicitly detailed in this section.

**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 representative thereof. 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 representative thereof, immediately upon Authority's demand to do so and upon the presentation of the binding judgment.

- 35.2. 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.
- 35.3. 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 stipulates that Authority may withhold any sum owed to it pursuant to the terms of the agreement, from the compensation due the Supplier pursuant to this agreement, or to any other contract or law.
- 36.2. Notice of the amounts withheld by Authority as stated will be sent to Supplier at the time of withholding.
- 36.3. Supplier may protest such withholding or claim monies allegedly owed to it to the Authority representative.
- 36.4. The foregoing protest must be submitted no later than 90 days from receipt of the payment from which monies were withheld or from the date notice of the withholding 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 deduction.

**37. Lien**

- 37.1. Neither Supplier nor its agents shall 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 it and a subcontractor, by which said subcontractor shall not have a right of lien.

**38. Breach of Contract by Supplier**

38.1. The sections enumerated below constitute fundamental sections of the agreement, whereas a breach of any of them entitles Authority to revoke the agreement, terminate the contractual relationship or suspend the agreement, or demand reimbursement of monies unlawfully paid to Supplier, at Authority's sole discretion, or to sue Supplier for any right or remedy available to Authority for the breach in accordance with the agreement and relevant law.

38.2. The following sections constitute fundamental sections of the contract: 5, 6, 9.2, 9.3, 9.8, 9.9, 10, 12.2, 12.3, 12.8, 13.1 - 13.3, 17.3.6, 18, 20, 23, 24.2, 25, 26, 27.1, 29, 30, 32.1, 32.2, 32.5 and 32.9.

38.3. Without derogating from the above, upon a breach of the agreement by Supplier, Authority may exercise the performance bond, in whole or in part, in accordance with the provisions enumerated in this agreement.

38.4. Authority may demand that Supplier rectify any breach within a reasonable time period.

38.5. Failure by Supplier to rectify the breach within the designated time period, and in the absence of any designated time period – 14 days from when Supplier is given notice of the breach – shall cause the breach of the agreement to become a fundamental breach, thereby entitling Authority to all of the remedies detailed above.

**39. Termination of Contract**

39.1. Authority may terminate its agreement with Supplier prior to the expiration thereof, upon thirty day prior written notice to Supplier, in each of the following instances:

39.1.1. Supplier commits a fundamental breach of the agreement and fails to rectify said breach within a period of 14 days or within another time period designated by the Purchaser representative;

- 39.1.2. Supplier is in a situation where it cannot continue to operate orderly;
  - 39.1.3. A motion to appoint a trustee, interim liquidator, or receiver is filed against Supplier and it has not been repealed within 90 days of its submission;
  - 39.1.4. A liquidation order or receivership order is issued against Supplier or an interim liquidator has been appointed for Supplier;
  - 39.1.5. 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 90 days of its imposition;
  - 39.1.6. 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.
- 39.2. Supplier, upon completion of the agreement, shall transfer all items constituting property of the Authority to Authority and will reimburse Authority for any goods or services not provided.

#### **40. General**

- 40.1. Without derogating from the provisions of this agreement, any undertaking in Supplier's proposal shall be deemed part of this agreement, and shall bind Supplier as if written expressly in the agreement.
- 40.2. 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.
- 40.3. 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.

- 40.4. The laws of the State of Israel shall govern this agreement.
- 40.5. 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.

#### **41. Interpretation**

- 41.1. 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.
- 41.2. The headings of the sections in this agreement are provided for convenience only and shall not be used in the interpretation thereof.
- 41.3. Reference made in the singular shall include the plural and vice versa; Reference made in the masculine gender, shall include the feminine gender as well and vice versa.
- 41.4. The Hierarchy of the tender and the Agreement –
- 41.4.1. The tender and the agreement appended thereof constitute one document with complementary parts.
- 41.4.2. An effort will be made to resolve any contradiction between the text of the tender and the text of the agreement.
- 41.4.3. If the contradiction cannot be resolved, the text of the agreement shall prevail.
- 41.5. The text of the agreement shall prevail in any instance of a contradiction between the agreement and its appendices.

#### **42. Jurisdiction**

The competent court in Jerusalem shall have local jurisdiction over this agreement.

#### **43. Notices**

- 43.1. 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 72 hours from its dispatch by post; a fax or electronic mail shall be deemed as received upon receipt of confirmation of delivery.

43.2. The addresses of the parties for the purposes of this agreement:

43.2.1. Authority: Ministry of the Interior - Population, Immigration and Border Authority, 6 Mesilat Yesharim, Jerusalem, 94584.

43.2.2. Supplier: \_\_\_\_\_  
Address for service of documents: \_\_\_\_\_  
Tel. \_\_\_\_\_ Fax. \_\_\_\_\_  
Email \_\_\_\_\_

43.3. The parties' representatives concerning the execution of this agreement are:

43.3.1. On behalf of Authority: \_\_\_\_\_ Tel. \_\_\_\_\_;

43.3.2. On behalf of Supplier: \_\_\_\_\_ Tel. \_\_\_\_\_.

43.4. Parties may replace their representatives upon notice of such to the other party.

**In witness thereof the parties set their hands:**

_____	_____	_____
Director General of Population, Immigration and Border Authority	Accountant, Ministry of the Interior	Representative of Supplier

## **Schedule (1) – 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 3.13 of the agreement.

Date	
Effective Date	The date the agreement is signed; the start of the Setup Phase (Travel Documents Development Stage).
Fourteen (14) days following Effective Date	The transfer of data regarding the shipment of the product (section 9.4 of the agreement), the method of packaging of the product (section 9.5 of the agreement), the reporting format, (section 9.6 of the agreement) and storage specifications (section 9.7 of the agreement).
Thirty (30) days following Effective Date	Completion of the Travel Document Development stage and the beginning of the trial phase.
Sixty five (65) days following Effective Date	Delivery of the first batch, as stipulated in section 10.2 of the contract.
Ninety (90) days following Effective Date	Final date for completion of the delivery required in the trial stage; conclusion of the trial period and setup phase and start of the ongoing supply phase.

**Schedule (2) – Performance Bond**

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

Tel. no. \_\_\_\_\_

Fax no. \_\_\_\_\_

To: Government of Israel

By the Population, Immigration and Border 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

**Schedule (3): Product Order Form**

**Purchase order number**

To: [Particulars of Supplier and Supplier representative]	Date of Order: _____  From: _____  Contact details:  Telephone: _____ Fax: _____ Email: _____
Purchaser's supplier code:	

1. In accordance with the agreement executed on the date of \_\_\_\_\_ between the Government of Israel by the Population, Immigration and Border Authority (the "Purchaser") and the Supplier (the "Agreement"), the Purchaser hereby orders the following goods from Supplier:

Serial No.	Catalogue No.	Item description	Quantity	Price per unit (Currency)	Total (Currency)
1.					
2.					
				<b>Total Due:</b>	

2. The goods listed in this order will be delivered to the Purchaser on the date of \_\_\_\_\_ / until the date of \_\_\_\_\_ / within \_\_\_\_\_ days of the signing of this order by the Purchaser.
3. The goods will be delivered by Supplier to the Purchaser's facility or to the specific locations listed below: \_\_\_\_\_, attn. \_\_\_\_\_.
4. The terms of payment are as specified in the Agreement.  
 Special instructions / provisions / points: \_\_\_\_\_.
5. To prevent any misunderstanding, it is understood that all of the terms stipulated in the agreement and its schedules shall apply to this order and the delivery of goods ordered.

\_\_\_\_\_  
 Purchaser Signature

**Schedule (4) : Request for Personal Security Clearance**



Directorate of Security of the  
Defense Establishment



Ministry of Defense  
State of Israel

**Request for Personal Security Clearance (PSC)**

Please provide a PSC or Security Assurance for the person listed below:

First Name	Middle Name	Last Name	ID No.
Nationality	Passport No.	Place of Issue	Date of Issue
Place of Birth	Date of Birth	Home Address	
Father's Name	Job Title		

Employed by:

Company's Name		Company's Address	
Country	city	Telephone No.	

This request is made from the following reasons:


Requesting Security Authority / NSA:

Name	Job Title
Date	Signature & Stamp

## **Schedule (5) : Supplier's confidentiality undertakings**

### **1. Definitions**

- 1.1. "Confidential Information" - any information relating to or associated with, directly or indirectly, the Population, Immigration and Border Authority, its operations or contacts, including information or details related to the Agreement, the nature of the Israeli travel documents and the unique features of the product 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 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 (6) : Supplier's Representative's confidentiality undertakings**

### **1. Definitions**

- 1.1. "Confidential Information" - any information relating to or associated with, directly or indirectly, the Population, Immigration and Border Authority, its operations or contacts, including information or details related to the Agreement, the nature of the Israeli travel documents and the unique features of the product 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

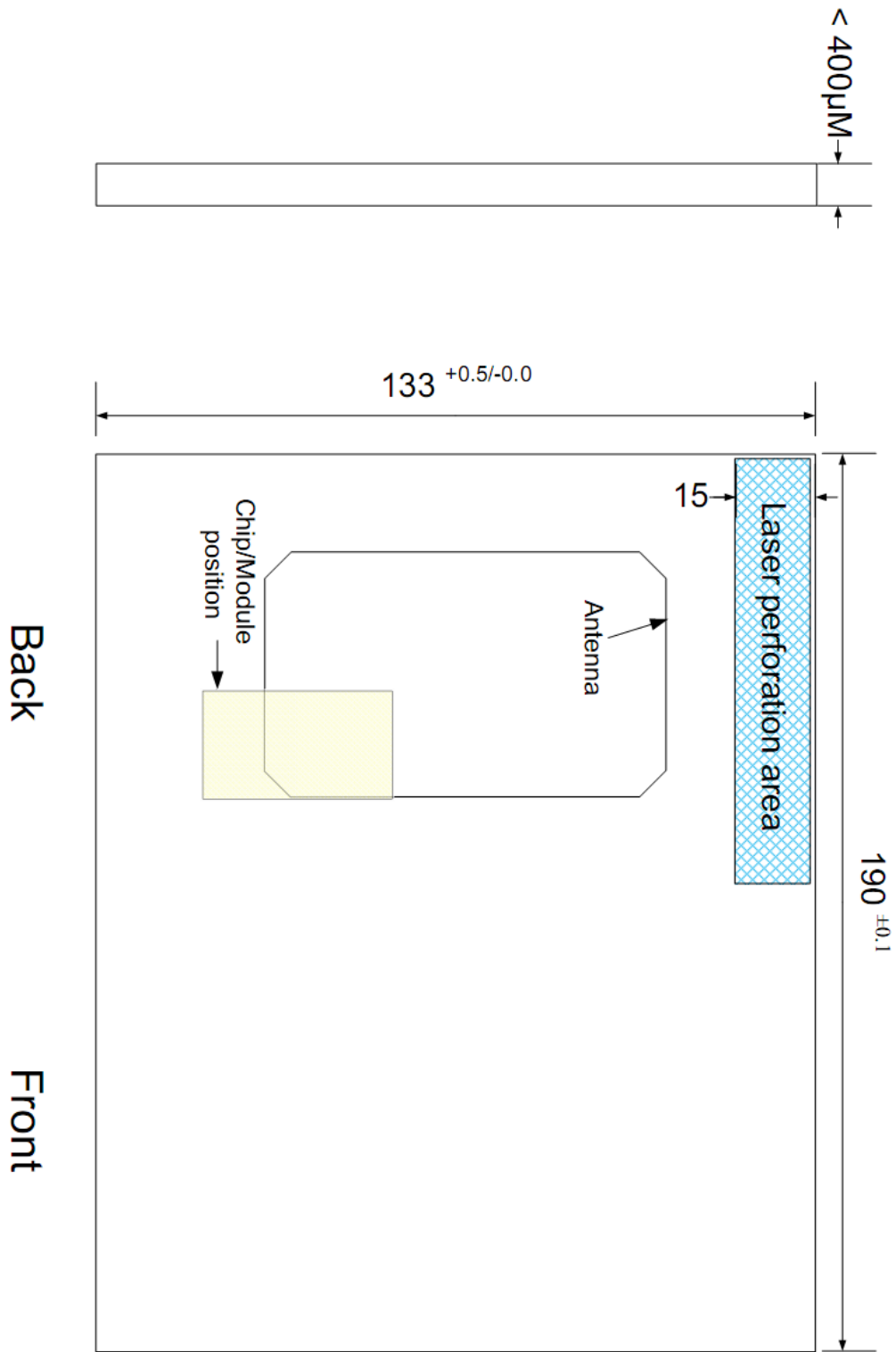
disclosures or because individual features, components or combinations thereof are now or become known to the public;

- 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 represent that his undertaking pursuant to the provisions of section 2 above shall remain in effect without limitation, even after the termination of its work with the Supplier.

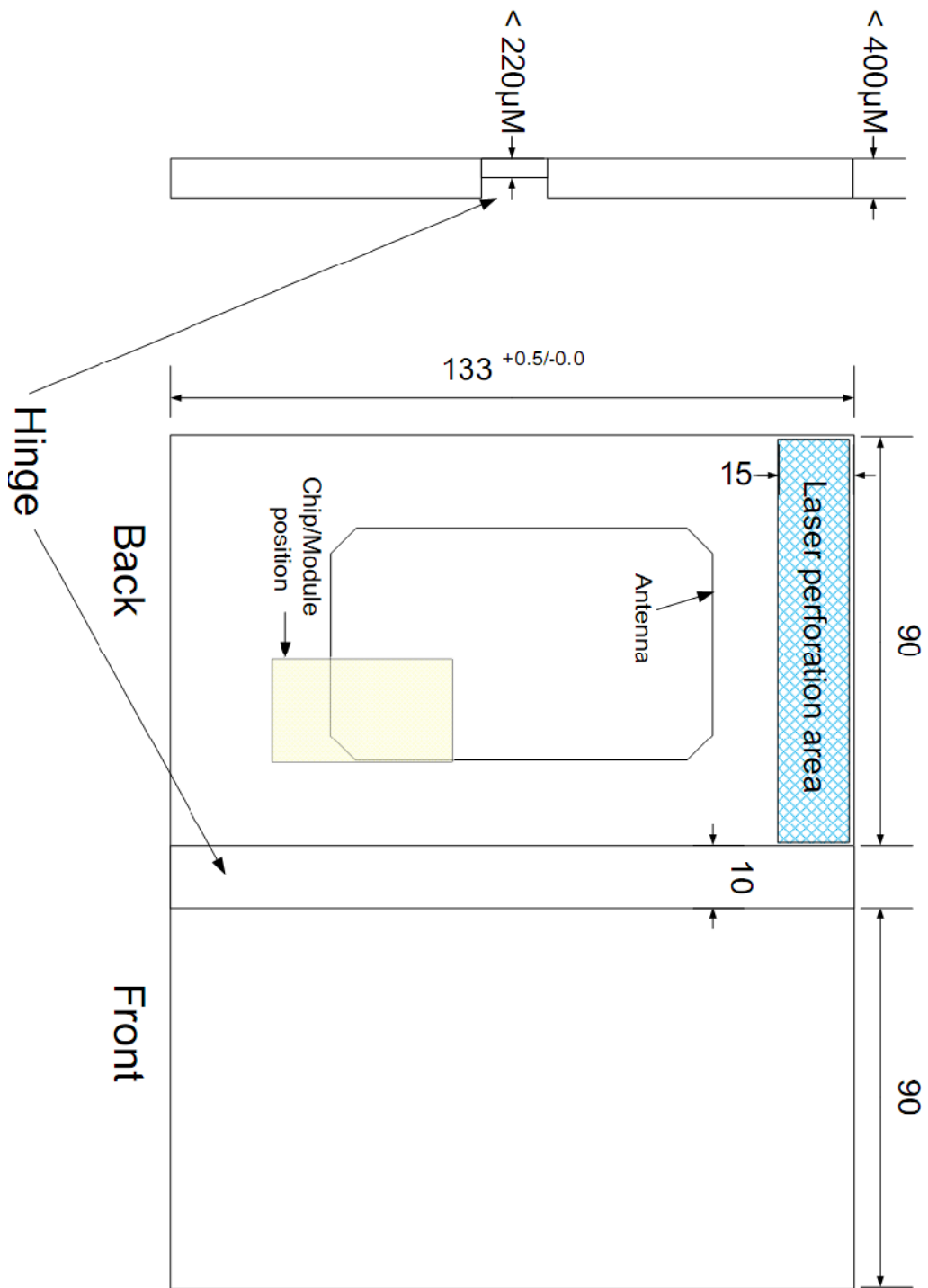
\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Supplier Representative

**Appendix J: Dimensions**



**Inlay without a hinge**



**Inlay with a hinge**

### **Appendix K: List of Consultants**

1. Weller, Dekel & Co. – Legal Advisors.
2. Yoram Oren – Yoram Oren Design & Consulting.
3. Lior Kamil - Innovaton Technologies Ltd.
4. Yehuda Malul, Accountant.



State of Israel



Ministry of the Interior  
Population, Immigration and Border Authority

**Appendix L: Registration Form for the Tender**

**Tender for the supply of inlays for biometric travel documents**

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: \_\_\_\_\_
8. **The role of the registrant:** Inlay manufacturer / chip manufacturer / operating system manufacturer.
9. I acknowledge that giving my contact information does not exempt me from the responsibility to update myself with regard to notices and clarifications by the Purchaser posted on the Tender's website.

Signature of authorized signatory and corporate stamp

\_\_\_\_\_