

PUBLIC TENDER NO. 21/10

**CONSULTATION AND STRATEGIC PLANNING SERVICES
FOR THE ADVANCEMENT AND IMPROVEMENT OF THE
COURTS SYSTEM**

October 11, 2010

**The Projects Branch with the participation of the private sector, Inbal Insurance
Company, Ltd.**

1. Introduction

- 1.1. The structure of the judicial branch and the jurisdiction of the various instances are defined in the Basic Law: The Judiciary, in the Courts [consolidated version] Law, 5744-1984 (hereinafter – “the Courts Law”), as well as in additional laws. There are three primary judicial instances: the Magistrates’ Court, the District Court and the Supreme Court; there are also separate Labor Courts.
- 1.2. Beginning in the mid-1970’s, the judicial branch has been faced with a constant increase in the courts’ caseloads. This increase stems from the flourishing of the Israeli economy during this period of time, as well as from additional factors, such as the steep increase in the number of lawyers, a rise in the rate of law enforcement and various social phenomena such as growth in the crime rate, including economic and organized crime.
- 1.3. The increase in the courts’ caseloads has brought with it, over the years, a significant increase in the number of judges, although not necessarily in direct proportion to the growth in the caseload. Despite the changes occurring in the scope of activities, basic principles of management necessitated by mere fact of the growth have not been methodically assimilated, and no significant changes have occurred in the systemic, organizational and procedural structure in the courts. In view of this, the number of pending cases rose at an ever increasing rate and the cumulative caseload was placing more and more strain on the system. As a result, the ability to hear cases on an on-going basis decreased and the time necessary to handle each case increased.
- 1.4. In the course of this period of time, various attempts were made to cope with the courts’ heavy caseloads, including attempts to make the proceedings more efficient and to develop novel approaches of judicial management based upon maximum utilization of the resources available to the system, including the resource of judicial time. However, as of the present, no attempt has been made to carry out a profound and wide-reaching change, based upon an overview of the system and intended to adapt it to the new reality that has been created.
- 1.5. In the experimental frameworks that have been carried out thus far, a commission was appointed to examine the structure of the courts system in Israel, headed by the retired Supreme Court Justice, Theodore Orr (hereinafter – “the Orr Commission”). The Orr Commission was asked to recommend the desired changes in the judiciary system with the objective of making the system more efficient and improving its functioning, while giving attention to the structure of the system and the division of jurisdiction among the various instances and within each of them. The Orr Commission noted the seriousness of the problem of the overburdened caseload in the courts system and the fact that “**delay in**

holding a judicial proceeding or rendering a decision in it is likely to cause a miscarriage of justice and to impinge upon the carrying out of justice.”

- 1.6. In recent years, a number of changes were made with the goal of improving the judicial system in Israel and making it more efficient. Among the substantive steps taken were the addition of positions for judges and court clerks, addition of secretariat positions, construction of new court houses, establishment of departments for the assignment of cases, allocations of legal assistants and law clerks to serve as support staff for the judges, reduction of the number of judges on judicial panels in order to save judicial time, referral of cases to mediation or arbitration, assimilation of methods for management of judicial time, guidance and training in the area of courts administration and more. Some of the measures taken indeed improved the system’s ability to deal with the continued growth in the scope of activity, but some of them did not bring about the desired results. In any event, all of this is not sufficient in order to appropriately address the workload problem that was described.
- 1.7. In view of these things, the need has arisen to engage in a process that can bring about, among other things, a significant reduction in the number of pending cases and a decrease in the heavy caseload in the courts. The implementation of this process requires a scrupulous and probing examination of the various strata of the courts system, including the administrative-secretariat level, study and understanding of the relevant processes, learning the lessons and making operative conclusions, all of this while paying attention to the criteria used throughout the world in this context.

2. Objective of the Contractual Arrangement

- 2.1. To enter into a contract with a company that will prepare a strategic program to promote and improve the courts system, including its diverse components, including:
 - 2.1.1. Analysis of the existing systems;
 - 2.1.2. Examination of relevant systems in the world and comparison of the legal system in Israel to other systems in the world through use of benchmarks.
 - 2.1.3. Construction of a perceptual model of the system and proposal of solutions that will lead to significant improvement in the efficiency of the courts system.
 - 2.1.4. Formulating the solutions into an overall program that can be implemented.
- 2.2. After approval of the program that the company has formulated, it (or another entity that the procurer shall choose) will supervise the implementation of the program in a manner that will include:

- 2.2.1. Definition of the targets and missions and establishment of priorities for their performance.
- 2.2.2. Preparation of a work plan and management of the overall process.
- 2.2.3. Supervision of implementation, determination and measurement of accomplishments and on-going oversight of the mission team's activity.

3. Definitions

3.1. In this document –

- 3.1.1. “The organization” – The courts system, including the labor courts, and not including the religious courts;
- 3.1.2. “The Procurer” – The Courts Administration;
- 3.1.3. “The Proposer” – One who submits a proposal to this Tender;
- 3.1.4. “The Company” – The Proposer that is chosen by the procurer;
- 3.1.5. “The team” – The team proposed by the Company to carry out the work;
- 3.1.6. “The Steering Committee” – A committee operating on behalf of the Procurer, that has the authority to define and delimit the project and the activities carried out in the framework of the project, as well as to establish priorities for implementation;
- 3.1.7. “Sub-committee” – A committee that shall be appointed by the Steering Committee, and shall serve as a professional body that will accompany, supervise, direct and guide the winning Company on an on-going basis;
- 3.1.8. “The project” – Planning and implementation of an efficiency process that crosses departments and units within the Organization, that has profound influence on the activity of the Organization, in accordance with what is set forth in the instructions of the Tender, including the Agreement attached to it as **Appendix F**.

4. General

- 4.1. On the background of the above-described, the Courts Administration (“the Procurer”) wishes to examine and to carry out processes of efficiency in the Courts system, as detailed below, and to be assisted, for this purpose, by a company specializing in the analysis and implementation of organizational and business changes in complex organizations or central governmental institutions.

- 4.2. For the purpose of carrying out the contract, a Steering Committee will be established headed by the Courts Administration and the Ministry of Finance; a sub-committee will be established alongside it, which will be a professional body for the on-going accompaniment of the project. The Company will be assisted in its on-going work by the sub-committee and will report about its work to the Steering Committee. However, the Company chosen in the Tender shall bear the entire and absolute responsibility for carrying out the project and its results.
- 4.3. It is emphasized herein that the provision of the services requested in the Tender obligates the Company that is chosen to enter into a fiduciary relationship of the highest level with the Procurer, and to maintain absolute confidentiality and a lack of conflict of interest or any apprehension of a conflict of interest, and this is while being aware of the substance and complexity of the subject of the Tender. Due to these circumstances, the Procurer has broad discretion in the choice of the winner in the framework of this process.
- 4.4. It is clarified that any contractual relationship that shall be carried out with the winner of the Tender is subject to the existence of an appropriate budget.
- 4.5. The Proposer is required to thoroughly examine the terms of the Tender, including all of the obligations that will be imposed upon it in the framework of the contract with the Procurer, in the event that it wins the Tender.

5. The Contractual Arrangement

- 5.1. The contractual arrangement shall be pursuant to what is specified in the Agreement attached to the Tender (as Appendix F) and its attachments, and as specified in detail in **Supplement B to the Agreement**. In essence, the Procurer intends to contract with the winner of the Tender for the purpose of analyzing the existing system, formulating a strategic plan for making the system efficient, implementation of the program and accompanying the Courts Administration throughout the efficiency process, beginning from the stage of starting the activity for the formulation of a work plan for efficiency until its actual implementation, and this is as long as the contractual relationship between the Company and the Procurer is in effect, and all of this is subject to what is set forth in the Agreement.
- 5.2. “The content of the work” is specified in **Supplement B** of the Agreement, attached as **Appendix F to the Tender**.
- 5.3. After a detailed work plan, which shall include the fields, the processes and the goals of the efficiency process, and a principle methodological outline for its realization, is defined, and the mission staffs for the implementation of the plan are defined, the

Procurer may, directly, or through the Company, choose to contract with additional companies or with additional experts, in accordance with their fields of expertise, for the purpose of professional assistance and direction to the mission staffs, or for any other matter, instead of or in addition to the contractual relationship with the Company.

- 5.4. It is herein clarified that the stage of assimilation of the plan (**Stage C**), is subject to the absolute discretion of the Procurer, and the Procurer may, at this stage, be assisted by the Company that wins the Tender or additional companies, in addition to the Company or instead of it, and shall be entitled not to implement the plan at all or to implement it with changes, all of this according to its discretion.

6. The Time Schedule for the Tender

Below is the time schedule for the Tender:

- | | | |
|------|---|---|
| 6.1. | Publication of the Tender: | October 11, 2010 |
| 6.2. | The deadline for submitting request for clarification | November 11, 2010 |
| 6.3. | The deadline for registering for the Tender (Appendix G) | December 1, 2010 |
| 6.4. | The deadline for submitting a proposal | December 13, 2010
(Monday) 13:00 |
- 6.5. The Procurer shall be entitled to change each of the dates specified above, including postponement of the deadline for submitting proposals, as long as such date has not passed. A notice regarding such a postponement shall be provided to all of those who was registered by a representative of the Procurer through a registration form – **Appendix G to the Tender.**
- ## **7. The Contractual Period**
- 7.1. The contractual period shall be two (2) years from the date of the signing by the Parties of the Agreement, attached as **Appendix F** to the Tender (hereinafter – “the contractual period”). It is hereby clarified that the Company must complete the provision of all of the requested services, in accordance with the decision of the Procurer and to its satisfaction, in the course of this contractual period.
- 7.2. The right to extend the contractual period for three (3) additional periods of one year each, and in total for an additional three (3) years is reserved to the Procurer (hereinafter: “the option period”).

8. The Consideration to the Winner

- 8.1. The consideration to the Company that wins the Tender shall be paid as specified in the Agreement attached to the Tender and in accordance with the milestones set forth in Supplement B to the Agreement as follows:

Stage A – A fixed price to be paid upon completion of the performance of this stage;

Stage B – A fixed price to be paid in accordance with meeting the milestones;

Stage C (“the assimilation stage” or “the implementation stage”) – an hourly fee, to be paid in accordance with the tasks defined by the Procurer.

- 8.2. Upon completion of Stages A and B in accordance with **Supplement B**, and upon presentation of a coalesced efficiency plan for assimilation, the Procurer shall have the exclusive **discretion** of whether to implement the assimilation process as it was presented by the Company, in whole or in part; whether to employ the Company in the framework of the implementation and assimilation process; whether to terminate the contract with the Company and not to employ it in the framework of the assimilation process; whether to employ it in the assimilation process in a partial manner; whether to go to another provider for the purpose of carrying out the assimilation process. **All of this shall be at the exclusive discretion of the Procurer** with no duty to justify its decision.
- 8.3. The total number of hours that the Procurer allocated for the purpose of carrying out the duties that are to be performed in **Stage C** of the project is **3,000 hours**. The Procurer has the possibility of expanding said total number of hours by up to **3,000 additional hours**.
- 8.3.1. It is clarified that this is only an estimation of the number of hours, which does not create any obligation on the part of the Procurer to employ the winner for the entire number of hours as set forth above, or at all. The scope of the services of assistance shall be subject at any time to the exclusive discretion of the Procurer.
- 8.4. It is clarified that the afore-stated is only an abstract and the terms that bind the Parties are those that are set forth in the Agreement and its attachments.

9. The Manner of Evaluating the Proposals

Evaluation of the proposals in the Tender shall be handled according to the following stages:

- 9.1. **In the first stage**, the Tender Committee shall examine whether the Proposer meets the threshold conditions for participation in the Tender and shall disqualify proposers who do not meet such conditions. The examination at this stage shall be of the Proposer itself, ignoring the plan proposed by it in the framework of the competition in the Tender. Proposers who do not meet the threshold conditions shall be removed from the Tender.
- 9.2. **In the second stage**, the Tender Committee shall examine the remaining parts of the proposal, except for the price quote, and shall assign points to the proposals according to the criteria as set forth in the Tender documents. The three proposals that receive the highest number of points shall go on to the third stage of the Tender, provided that they receive a quality grade higher than 80 (out of 100 possible points), and received the threshold quality grade set forth alongside some of the criteria.
- 9.2.1. However, a proposal that received a quality grade, where the difference between it and the quality grade that the proposal with the highest quality grade received does not exceed five points shall also go on to the third stage of the Tender, provided that the quality grade of the proposal exceeds 80, and that all of the components of quality met the required threshold quality grade.
- 9.3. **In the third stage** the Tender Committee shall open the price quote envelopes of the proposers that passed the second stage of the Tender and shall give each proposal the weighted points it is entitled to due to the price quote.
- 9.4. The proposal that receives the highest **overall** weighted grade (quality + price) shall be declared the winner of the Tender, subject to the remaining provisions of the Tender.
- 9.5. The overall weighted grade of the proposal shall be determined according to the following components: 70% - quality of the proposal and the proposer; 30% - the price quote.
- 9.6. Notwithstanding the aforesaid, the Tender Committee shall be entitled not to choose any proposal whatsoever or not to choose the proposal that received the highest weighted score, for reasons that shall be recorded, subject to the remaining provisions of the Tender, and subject to hearing the proposer whose proposal received the highest overall weighted score.

10. Threshold conditions for Competing in the Tender

Proposers that meet **all** the threshold conditions set forth below on the date of submission of the proposal are entitled to participate in the Tender.

- 10.1. The proposer is a corporation registered in Israel, or alternatively is a corporation registered abroad that operates a branch or representation in Israel. The proposer cannot be a corporation and/or an association and/or a consortium that incorporated solely for the purpose of this Tender.

10.1.1. The proposer must attach to its proposal a copy of the certification of incorporation.

- 10.2. The proposer specializes in one or more of the following fields: strategic planning, industrial engineering and management, organizational/management/business consultation, performance studies, analysis of management/business systems for diverse levels and units in an organization, and it has been in continuous operation in one or more of the fields since the year 2006 at least.

10.2.1. The proposer must attach to its proposal a professional profile as specified in the proposal form – **Attachment A to the Tender**.

10.2.2. In order to remove doubt, it is clarified that the proposer must relate to **its own** data, as opposed to data characterizing a related corporation, a corporation with which the proposer has a contractual relationship, etc.

- 10.3. The proposer carried out planning and implementation of a process of significant organizational efficiency in at least one organization that meets **the following cumulative conditions**:

10.3.1. The work was finished within the last five years (beginning with 2005);

10.3.2. The income cycle or the budget of the organization in which the process was carried out is at least 300 million New Israeli Shekels (NIS) per annum, in the years in which the work was carried out in that organization;

10.3.3. The organization in which the process was carried out numbered at least 500 employees who were employed directly by the organization, in each of the years in which the work was performed there.

10.3.4. For the purposes of this section: “**significant organizational efficiency**” – efficiency that crosses departments and divisions within the organization with profound implications on the operations of the organization.

10.3.4.1. The proposer must specify in the proposal form (**Appendix A to the Tender**) the names of the organizations in which it operated, the cycle of income/budget of the organization on the date of performance of the work, the number of employees in the organization on the date of performance of the work, the type of activity that it performed, the date of the contracting with the organization and the date of completion of the work, and the name and details of the contact person in the organization.

10.3.5. The proposer is entitled to prove that it meets **this** threshold condition by relying upon the experience of a parent company or the experience of a foreign consultation company (whose home office is outside of Israel), with which it contracted for the purpose of carrying out the work (hereinafter – “**outside consultant**”).

10.3.5.1. Where the proposer chose to rely upon the experience of an outside consultant, the proposer shall attach to its proposal:

- (1) A contract or memorandum of understanding, binding and signed, between itself and the outside consultant, that sets forth the outside consultant’s complete commitment and availability to the project that is the subject of the Tender for a period of at least three (3) years beginning on the date of signing the contract;
- (2) Data attesting to the fact that the outside consultant complies with the threshold conditions;
- (3) Detailed information regarding the consultant’s characteristics, including its experience in carrying out work of “significant organizational efficiency”;
- (4) If the proposer attached a memorandum of understanding (as opposed to a contract), a condition for entering into a contract with it shall be the presentation of a complete signed contract with the outside consultant, no later than 30

days from the date on which it received notice of its winning the Tender.

- 10.4. The proposer employs a permanent staff (not including outsourcing employees, freelancers or other independent contractors), numbering at least 25 employees, and this is in the course of each of the last six years beginning with 2005 until and including 2010.

10.4.1. In order to remove doubt, it is clarified that the proposer must relate to employees that it employs **itself**, as distinguished from employees employed by a related corporation, a corporation with which the proposer has a contractual relationship, etc.

10.4.2. The proposer must attach certification of an accountant attesting to the aforesaid.

- 10.5. Beginning from 2005 and until and including 2009, the annual financial balance of the proposer in each of the years is not less than NIS two million; its cash flow in at least three of the five years is positive; and its annual income cycle exceeds NIS 10 million per annum as audited.

10.5.1. In order to remove doubt, it is clarified that the proposer must relate to **its own** financial figures, as distinguished from financial figures of a related corporation, a corporation with which the proposer has a contractual relationship, etc.

10.5.2. The proposer must attach certification of an accountant of the financial balance sheet, the cash flow and the income cycle for the stated years.

11. Criteria for a Determination in the Tender

- 11.1. Below are the quality criteria for examination of the proposal and their weight (70% of the overall score):

- (1) The numeral in parentheses [(____)] denotes the minimum quality score (hereinafter – “**minimum score**”) for that section. A proposal in which any one of its components did not meet the required minimum score with respect to that component, **will be disqualified** and will not pass to the next stage of the Tender.
- (2) However, in accordance with what is set forth in section 15.3.7 of the Tender, the Tender Committee may permit a proposer to improve its proposal, and to the extent it does so, it shall examine its improved proposal. A proposal as to which any of its components did not receive the minimum score even after the proposer was given the opportunity to improve its proposal – **shall be disqualified**.

Criteria for Examination of Quality of the Proposal	100 %
11.1.1. <u>The Proposer's Methodology</u>	45 % (35 %)
The system of work and estimations for their performance as they relate to the aspects below: (1) The proposed methodology and the manner of its implementation in the project – 25% (2) The work process and milestones proposed for the project – 5% (3) The professional characteristics of the proposed staff, its degree of suitability for the project, positions and the division of work among members of the staff – 5% (4) Recognition and understanding of the legal system and the central issues, as reflected in the proposal – 10%	

Criteria for Examination of Quality of the Proposal	100 %
11.1.2. <u>The Proposer's Ability and Experience in Performance of Relevant Projects</u>	30 %
The <u>proposer's</u> experience in performance of <u>relevant projects</u> in the past 10 years, in relation to the following aspects: (1) Diversity, scope and characteristics of the projects, the extent of complexity of the systems and the depth of the procedures in which the efficiency processes were performed – 10% (2) Experience in comprehensive efficiency processes in public/governmental systems – 5% (3) The extent of the implementation, the assimilation and the strength of the change in the organization due to the efficiency recommendations in these projects – 7.5% (4) Client satisfaction with the staff, with the work product with meeting timeframes and with the budget – 7.5%	
11.1.3. <u>The Ability and Experience of the Proposed Staff in Performance of Relevant Projects</u>	25 %
11.1.3.1. Experience of the head of the staff in performance of relevant projects in the last 10 years, in at least three organizations, each of whose income cycle/annual budget exceeds NIS 300 million (or its equivalent in foreign currency) relating to the aspects below: (1) Experience in leading complex projects and management of a multi-disciplinary staff; the extent of implementation, assimilation and strength of the change in the organization due to the efficiency recommendations of these projects – 8% (2) Client satisfaction with the management ability and the management culture – 4.5%.	12.5% (10%)

Criteria for Examination of Quality of the Proposal	100%
11.1.3.2. Experience of the <u>senior staff</u> in performance of <u>relevant projects</u> in the past 10 years, relating to the aspects below: (1) Relevant characteristics of members of the senior staff (3-5 people) – experience, knowledge and understanding.	12.5% (9.4%)
11.1.4. Experience of the proposer or of members of the proposed staff in performing a similar “project” in a foreign legal system that ended in the last 10 years. The proposer must detail the characteristics of the organization and the areas in which the “project” was carried out.	10% bonus

11.2. The proposer shall submit **the methodological proposal** (section 11.1.1), shall prove **its ability and experience in carrying out relevant projects** (section 11.1.2); shall prove **the ability and experience of the proposed staff** (section 11.1.3); and shall describe **its experience in carrying out a similar project** in a foreign legal system (section 11.1.4) – in accordance with what is required in the **proposal form – Appendix A** to the Tender.

11.3. **Reliance upon an outside consultant:** The proposer may rely, for the purposes of this section (**section 11 in its entirety**) upon the experience of an “outside consultant” (as defined in section 10.3.4.2 above), and on the experience of members of the staff, who are the employees of the outside consultant. Where the proposer has decided to rely upon the experience and/or upon the employees of the outside consultant, the proposer shall attach to its proposal:

11.3.1. A signed and binding contract or memorandum of understanding, between it and the outside consultant, that sets forth the obligations and availability of the relevant staff member for the project that is the subject of this Tender, for a period of at least three (3) years, beginning on the date of signing the contract;

11.3.2. The contract or memorandum of understanding must **expressly** relate to the expected number of hours during which the involvement of the outside consultant or any staff member on behalf of the outside consultant will be necessary in performing the work that is the subject of this Tender, including details of the required involvement in each of the stages of the work, according to **Supplement B to the Agreement** (content of the work) and according to the proposed

methodology. The contract or memorandum of understanding between the parties must emphasize that **a downward deviation of more than 15% of the number of hours set forth in the contract or memorandum of understanding will constitute a fundamental breach of the Agreement, Appendix F** to the Tender.

11.3.3. The contract or memorandum of understanding must include substantive sanctions against the outside consultant in the event of breach of its obligations as set forth above.

11.3.4. The proposer must attach data to its proposal attesting to the fact that the outside consultant or its employee meets the terms required by the Tender.

11.4. The three proposals that receive the highest quality score will proceed to the third stage of the Tender, provided that they received a quality score higher than 80 points (out of 100 possible points) and met the minimum scores.

11.4.1. However, where a proposal received a quality score that is not less than five points lower than the quality score that the proposal with the highest quality score received, it will also proceed to the third stage of the Tender, provided that the score of the proposal is higher than 80, and that the proposal satisfied all of the minimum scores.

11.5. **The weighted quality score** of the proposal shall be determined as follows:

$$\frac{\text{the quality score of the proposal}}{\text{the quality score of the proposal that received the highest number of points}} \times 70 = \text{the final points given to the proposal for the quality component}$$

12. Price Quote

12.1. The weight of the price quote in the overall weighted score is 30%.

12.2. In the framework of “the price quote form,” **Appendix B to the Tender**, the proposer is required to submit:

12.2.1. A quote of the fixed price that relates to stages A and B of the project.

12.2.2. A price quote for an hour of work, that is not higher than the maximum price for an hour of work and is not lower than the minimal price for an hour of

work. It is clarified that the price quote for an hour of work relates only to Stage C, which is the stage of implementation and assimilation.

12.3. The fixed price quote and the price quote for an hour of work will obligate the winner of the Tender for the entire period of the contract, including the stage of assimilation and during the period of the option, to the extent that the Procurer shall decide to be assisted by the Company during the assimilation stage or to avail itself of the option.

12.4. The number of hours required for the purpose of the assimilation stage shall be divided among the groups enumerated in the proposed staff, according to the following occupations:

- a. **“Manager”** – a very senior person with the proposer, including an expert with managerial experience in leading efficiency processes in organizations, who has at least 10 years of professional experience in the field of efficiency in organizations. One of the directors shall serve as the head of the staff.
- b. **“Foreign consultant”** – an expert with an international reputation in the field of analysis of organizational processes in companies of extensive processes and scope; an expert with significant knowledge in the field of foreign and local legal systems, with rich experience in his field of expertise.
- c. **“Senior”** – a person with experience in performing efficiency processes in organizations, who has at least seven years of professional experience in the field of efficiency in organizations.
- d. **“Junior”** – a professional with an appropriate specialty in organizations.

12.5. The price quote shall be submitted in accordance with the following data:

The Group	Maximum Price for Hour of Work	Minimum Price for Hour of Work	Weighting Coefficient	Proposed Price for an hour of work
Managers/foreign consultant	NIS 750	NIS 500	500	
Senior employees	NIS 400	NIS 300	1,800	
Junior employees	NIS 180	NIS 120	700	

- All of the prices are in New Israeli Shekels and do not include VAT.

12.6. **Weighting formula for the price, for the third stage of the contract:**

Price quote for managers	X	500
		+
Price quote for senior employees	X	1,800
		+
Price quote for junior employees	X	700
		=

Weighted price of the proposer for Stage C of the contract

12.6.1. It is emphasized that weighting coefficient is designed solely for the purpose of weighting the price quote and nothing in it is intended to attest to or to be binding with respect to the manner of allocation of the hours in fact or in any way.

12.7. The weighted price of the proposal:

The weighting formula for the price quote for the three stages of the contract:

The price of Stage A + the price of Stage B + the weighted price for Stage C = **weighted price for the entire proposal.**

12.8. The formula for points for the price quote shall be as follows:

The lowest weighted price		The final points given to the
_____	X 30 =	the proposal for the price
The weighted price of the		component
proposal to which points		
are being assigned		

13. Determination in the Tender

- 13.1. The proposal of the winner of the Tender shall be the proposal with the highest **overall weighted score**. In other words, the combination of its final quality score and its final price points is the highest.
- 13.2. Notwithstanding the above-stated, the Tender Committee shall be entitled not to choose the proposal with the highest overall weighted score for reasons that shall be recorded and after the proposer with the highest overall weighted score has been given the opportunity to bring its arguments before the Committee.
- 13.3. In addition to the afore-stated, under the circumstances in which the price quote of the proposer that had the highest overall weighted score significantly deviates from the budget that the Procurer allocated for purposes of performing the contract, the Tender Committee shall be entitled not to choose its proposal and to choose the proposal after it in line.
- 13.4. If all of the price quotes of the qualified proposers are significantly higher than the budget that was allocated for purposes of performing the contract as stated, the Tender Committee shall be entitled not to choose any one of the proposals and in this manner to cancel the Tender; or to choose the proposal that received the highest overall weighted score and to reduce the scope of the work that was planned by the Procurer, subject to a reduction in the fixed price of the proposal. All of this is according to the discretion of the Tender Committee.
- 13.5. For the purposes of the afore-stated, the Procurer shall deposit in the Tender box, prior to the final date for submission of proposals, an envelope detailing the budget that was allocated by it for the purposes of performing the contract.

14. Documents and Affidavits that the Proposer Must Attach to its Proposal

Without derogating from other provisions of the Tender, the proposer must attach the following documents to its proposal:

- 14.1. Proposal form (**Appendix A to the Tender**), completely filled out, signed in the required places, with all the documents specified in it attached.
- 14.2. Price quote form (**Appendix B to the Tender**), signed and in a closed and separate envelope.
- 14.3. An affidavit signed by one authorized to sign on behalf of the proposer and certified by an attorney, regarding the payment of minimum wages and employment of foreign

workers as required by law, in accordance with the provisions of section 2b of the Public Bodies Transactions Law (**Appendix C to the Tender**).

- 14.4. A valid certificate that the proposer keeps account ledgers and recordings pursuant to the Public Bodies Transactions Law, 5736-1976 (**Appendix D to the Tender**).
- 14.5. An affidavit regarding the absence of conflict of interest of the proposer or anyone on its behalf (**Appendix E to the Tender**).
- 14.6. Evidence from the Procurer confirming that the proposer registered with the Procurer prior to December 1, 2010, through the registration form (**Appendix G to the Tender**).

Registration shall be done through the e-mail address: court@inbal.co.il or fax 03-9778165.

15. Manner of Carrying out the Tender

15.1. Receipt of the Tender documents

15.1.1. The tender documents may be obtained in the offices of the Projects Branch, Inbal Insurance Company, Ltd., 5th floor, Ha'arava Street, Kiryat S'de Hateoufah, Ben Gurion Airport, between the hours 9:00 to 15:00, with prior arrangement at telephone number 03-9778149/50, free of charge, or they can be downloaded from the Courts Administration portal under the link "tenders."

15.1.2. Information and notices regarding the Tender will be published on the internet site of the Courts Administration under the link "tenders." It is the responsibility of the proposer to update itself on an on-going basis regarding the carrying out of the Tender through this site. To the extent possible, and without this constituting an acceptance of responsibility, the Procurer shall transmit notices regarding the existence of new information through e-mails.

15.1.3. The proposer must register with the Procurer, through the registration form, **Appendix G** to the Tender.

15.1.4. For the information of the proposers – in the course of the month of October, the Procurer intends to publish a copy of the Tender in English as well. However, the binding version is the Hebrew version.

15.2. Process of Clarifications

- 15.2.1.** Beginning on the date of the publication of the Tender in the newspaper and on the internet, until November 11, 2010, any person shall be entitled to write to the Procurer through the e-mail address: court@inbal.co.il or through fax number 03-9778165, and to raise any comment, request for clarification or question concerning the Tender or the contractual relationship that will occur in its wake (hereinafter: “the inquiry”). Receipt of the inquiry must be verified at telephone no. 03-9778149/50.
- 15.2.2.** The one making the inquiry shall note in the inquiry the number of the Tender, his name, address, telephone number, fax number and e-mail address, for purposes of contacting him.
- 15.2.3.** The Procurer does not undertake to reply to inquiries that were transmitted after November 11, 2010.
- 15.2.4.** Replies to inquiries will be published on the internet site whose address is www.court.gov.il under the link “tenders”, and will be distributed by e-mail among all of those who registered for the Tender. This will be done without exposing the name of the one making the inquiry.

15.3. The Structure of the Proposal and its Submission

15.3.1. Structure of the Proposal

- 15.3.1.1. All of the proposal shall be bound or arranged in a binder, with the proposal form attached as **Appendix A** to the Tender at the beginning.
- 15.3.1.2. In the proposal form, various forms and requirements for documents that the proposer must attach to its proposal are specified. The proposal form must be completely filled out, all of the required documents must be attached, in the order specified in the proposal form, and each appendix is to be separated by a divider. Additionally, the pages of the proposal and the appendices are to be numbered.
- 15.3.1.3. The proposer must attach to its proposal only the documents detailed in the Tender, and mark on each document attached by it to the proposal to which section in the proposal form it relates.

- 15.3.1.4. At the beginning of the proposal form the proposer shall include a “**table of contents**”, that refers to the various pages in the proposal.
- 15.3.1.5. Documents that the proposer must attach and that do not constitute part of the proposal form (such as catalogues, pages of data, resumes, etc.) shall be attached with individual dividers and shall be marked in accordance with their order of appearance in the list of documents detailed in the proposal form.
- 15.3.1.6. The proposer may not attach to the proposal form pages, booklets, disks, presentations, etc., that are not explicitly required or the submission of which was not expressly permitted. The Tender Committee shall ignore and shall not take any such attachment into consideration.
- 15.3.1.7. The proposal shall be submitted with its confidential parts, if there are any, marked, as detailed in section 15.3.4.2 below.
- 15.3.1.8. The proposal shall be submitted in the Hebrew language. Attachments, receipts, certificates etc. that are not in Hebrew or in English shall be translated into Hebrew.
- 15.3.1.9. The proposal form constitutes an integral part of the Tender documents, and supplements what is set forth in the Tender. However, in the case of a contradiction between the proposal form and the body of the Tender, what is stated in the body of the Tender shall prevail.

15.3.2. Submission of Proposal

- 15.3.2.1. The proposal must be submitted in a closed and sealed envelope with no external identification, after the end of the clarifications process, and no later than **December 13, 2010 at 13:00**, in the Tender book located in the offices of the Courts Administration, 22 Kanfei Nesharim Street, Jerusalem (in the archive, 2nd floor). On the envelope shall be noted “Tender no. 21/10 for Choosing a Company to Provide Consulting and Strategic Planning Services for the Advancement and Improvement of the Courts System.”

- 15.3.2.2. The submission of the proposal on the date noted above is the exclusive responsibility of the proposer. A proposal that is submitted late shall not be considered by the Tender Committee and will be returned to its sender.
- 15.3.2.3. In no case may the proposal be submitted by e-mail or fax.
- 15.3.2.4. The proposal shall be submitted in five (5) identical copies (including the accompanying documents and the various appendices), with each copy bound separately or in a separate binder; and on a disk containing the proposal in pdf format. In the event of an inconsistency between data specified in the computer file and the original printed proposal, the data detailed in the printed proposal shall prevail.
- 15.3.2.5. **The price quote (Appendix B) shall be put into a separate closed and sealed envelope.** This envelope will be opened only in the third stage of the Tender. The price quotes of proposers whose proposals do not pass the second stage of the Tender shall not be opened and the envelopes will be returned to the proposers as they were submitted. Where a proposer submits its price quote in a manner that is not in accordance with this provision – its proposal shall be disqualified.
- 15.3.2.5.1. The price quote shall be submitted in three (3) copies.
- 15.3.2.5.2. On the back of the sealed price quote envelope the name of the Tender and the details of the proposer shall be clearly recorded.
- 15.3.2.6. Each page of the original copy of the proposal form and of the accompanying documents shall be sealed and signed with the seal and signature of the proposer.
- 15.3.2.7. The first page of each of the copies shall be sealed with the proposer's original seal (not a photocopy) and with the original signature (not a photocopy) of the one authorized to sign on behalf of the proposer.

- 15.3.2.8. In every place in which the signature of the proposer is required, the one authorized to sign on behalf of the proposer shall sign.
- 15.3.2.9. The submission of the signed proposal constitutes absolute proof that the proposer read all of what is stated in the Tender documents and the Agreement attached to it, understood what is stated in these documents and gave them his unreserved consent.

15.3.3. Effectiveness of the Proposal

- 15.3.3.1. The proposal shall remain in effect as long as the decision of the Tender Committee has not been rendered.
- 15.3.3.2. Without derogating from the above stated, proposals that are not chosen shall remain in effect for an additional six (6) months after the completion of the Tender process, and this is for the eventuality that the proposer who won the Tender revokes its proposal or breaches the contract with it. Under such circumstances, the Tender Committee shall be entitled (but not obligated) to declare the owner of the next best proposal to be the winner of the Tender.
- 15.3.3.3. If the contractual relationship between the Procurer and the winner of the Tender ends prematurely, for whatever reason whatsoever (such as breach of the contract and its annulment, annulment of the contract for any other reason, liquidation of the company, etc.), and on any date whatsoever, the Procurer shall be entitled (but not required) to choose another proposer instead of it. The choice of the alternative proposer shall be made among the proposers that participated in the Tender, and this is in accordance with the points that the proposal received in the Tender, provided that on the date of making the decision at least the same conditions that enabled the proposer to receive the points in the Tender continue to exist with respect to it.
- 15.3.3.4. It is clarified that the choice of a proposer within the six (6) months following the end of the Tender obligates the proposer to meet the terms of its proposal in the Tender. The choice of a proposer after this date is possible, but conditioned upon its consent.

15.3.4. Perusal of the Tender Documents

- 15.3.4.1. The Tender Committee shall permit a proposer that lost in the Tender to peruse the transcript of the Tender Committee and of the documents of the proposal of the winner in accordance with the provisions of section 21(e) of the Obligation to Hold a Tender Regulations, 5753-1993, in accordance with the Freedom of Information Law, 5758-1998, and in accordance with case law.
- 15.3.4.2. A proposer that is of the opinion that portions of its proposal contain trade secrets or business secrets (hereinafter – “confidential portions”), that in its opinion other proposers should not be permitted to see after the end of the Tender, shall expressly designate in the proposal form which are the confidential portions and shall mark the confidential portions in the proposal form in a clear and unequivocal manner (with a yellow marker).
- 15.3.4.3. A proposer that did not mark portions of the proposal form as confidential shall be viewed as one that consented to the proposal being made available for the perusal of other proposers, if it is declared the winner of the Tender.
- 15.3.4.4. The marking of portions of the proposal as confidential constitutes an admission that these portions of the proposal are also confidential in the proposals of other proposers, and hence the proposer waives in advance the right to peruse these portions of the proposals of the other proposers.
- 15.3.4.5. It is emphasized that the discretion regarding the scope of the right of perusal of the proposers is accorded exclusively to the Tender Committee, which shall act in this matter in accordance with tender law and with the criteria obligating an administrative authority.
- 15.3.4.6. Where the Tender Committee decided to permit perusal of the portions specified in the proposal of the winner which the winner defined as confidential, the Tender Committee shall provide a prior warning to the winner and shall permit it to state its reservations regarding this before it within an appropriate period of time in view of the circumstances of the matter.

- 15.3.4.7. Where the Tender Committee decided to dismiss the reservation, the Tender Committee shall notify the winning proposer of that prior to providing the material for the perusal of the one requesting it.
- 15.3.4.8. It is emphasized that the attempt of the proposer, the scope of its activity, the type of its activity, the proposed personnel on its behalf and their characteristics, as well as the price quote given by it, shall not constitute a trade secret or business secret. A proposer that chose to participate in the Tender thereby expresses its consent to what is stated in this section.

15.3.5. Signing the Contract

- 15.3.5.1. A proposer that won the Tender shall be invited by the Procurer to sign the Contract attached as Appendix F.
- 15.3.5.2. At the time of signing the Contract, and as a condition for the signature of the Procurer, the winner will be required to provide to the Procurer all of the documents, obligations and certifications specified in the Contract.
- 15.3.5.3. A proposer that wins the Tender will be required to sign a contract such as the contract attached to the Tender within 14 days from the date on which the contract shall be sent for its signature. Failure to sign the contract within the time period allotted for this is considered a breach of such contract. In such an event, the Procurer is entitled to declare the annulment of the proposer's winning the Tender. This is without such an action derogating from the Procurer's right to be compensated by the proposer for all additional damage that shall be caused to it as a result of the breach.
- 15.3.5.4. In the event that the proposer relied upon the proposal of the outside consultant and attached to its proposal a memorandum of understanding (as distinguished from a contract) between itself and the outside consultant, a condition for the performance of the contractual relationship with it shall be the presentation of a complete and signed contract with the outside consultant, not later than 30 days from the date on which it received notice of its winning the Tender.

- 15.3.5.5. In addition to the afore-stated, in the event that the winning proposer does not come to sign the contract or in the event of another breach of the contract shortly after its signing, the Tender Committee may (but is not obligated to) choose the next proposer in line as the winner of the Tender. In such an event, the rule stated above shall apply to the alternative winner.

15.3.6. General

- 15.3.6.1. The Tender Committee may (but is not obligated to) ask each proposer, at each stage of the Tender, for clarifications in writing or orally regarding the proposal, in whole or in part. The clarifications shall constitute an integral part of the proposal.
- 15.3.6.2. The Tender Committee has the discretion to require a proposer to add to partial information and/or to add certifications relating to requirements specified in the Tender, for the purpose of examining whether the proposer meets the terms of the Tender.
- 15.3.6.3. The Tender Committee may, for reasons that shall be recorded, order the correction of a defect in a proposal or to overlook the defect, and this is if it found that this will not infringe upon the equality among the proposers and/or if it found that this decision serves the public interest and the objectives of this Tender in the maximum manner.
- 15.3.6.4. The Tender Committee may decide not to choose any of the proposers and to cancel the Tender for any reason whatsoever and at any time, and the proposers shall have no recourse for this.

15.3.7. Handling Negotiations

- 15.3.7.1. The Tender Committee may carry out negotiations with the three (3) (or more) proposers that received the highest quality score, prior to their monetary price quote being opened, and may permit them to improve their proposal. For this purpose, the Tender Committee shall not take the minimum scores into account.
- 15.3.7.2. With the improvement of the proposals, and prior to opening the monetary quote, the Tender Committee shall allow the proposers

that improved their proposals to submit a new price quote, in accordance with their improved proposal.

15.3.7.3. The improved proposal shall receive new points.

15.3.7.4. However, the Tender Committee shall choose the original proposal (with the original price quote that was proposed for it) and shall prefer it over the improved proposal (with the updated price quote that was attached to it) if the overall weighted score that was accorded to the original proposal is higher than the overall weighted score that was granted to the improved proposal.

15.3.7.5. Negotiations shall not be held with proposers after disclosure of the price quotes. However, the Tender Committee shall be entitled for budgetary reasons to reduce the work content of the winner of the Tender subject to the reduction of the fixed price of the proposal.

15.3.8. Reserved or conditioned proposal

15.3.8.1. A proposer is prohibited from reserving its proposal or conditioning it in a manner that is inconsistent with the requirements of the Tender. **The Tender Committee shall disqualify a reserved or contingent proposal.**

15.3.8.2. A proposer that is of the opinion that the requirements of the Tender merit being conditioned or reserved may raise its reservations or comments in the framework of the clarifications, and the Procurer shall consider its inquiry and shall respond to it, all of this in accordance with section 15.2, *supra*.

15.3.9. The Hierarchy with respect to the Tender and the Contract

15.3.9.1. The Contract attached to this Tender, with its appendices, constitutes an integral part of the Tender documents. The Tender and the Contract attached to it (with its appendices) are to be viewed as completing one another into one document.

15.3.9.2. In any event in which there is a contradiction between the version of the Tender and the version of the Contract, an effort shall be made to resolve the difference between the two versions.

- 15.3.9.3. Under the circumstances in which it is not possible to resolve the differences between the version of the Tender and the version of the Contract, the version of the Contract shall prevail.
- 15.3.10.** Expressions appearing in the singular shall be construed in the plural and *vice versa*; expressions appearing in the masculine shall be construed to include the feminine and *vice versa*.
- 15.3.11.** The Procurer's representative, for purposes of the Tender processes and performance of the Contract, is Ms. Sharon Bar Dor or whoever is appointed by her.
- 15.3.12.** The exclusive jurisdiction to adjudicate any action the grounds of which are related to this Tender and the agreements that are signed with the winner of it is accorded exclusively to the court of jurisdiction in Jerusalem.`

List of Appendices

The Tender Appendices:

		Check ✓
Appendix A	Proposal Form	
Appendix B	Price Quote Form	
Appendix C	Affidavit regarding lawful employment of foreign workers and payment of minimum wages pursuant to the Transactions of Public Bodies Law, 5736-1976	
Appendix D	Certification of keeping account books and recordings pursuant to the Transactions of Public Bodies Law, 5736-1976	
Appendix E	Affidavit regarding the absence of conflict of interest on the part of the Company or anyone acting on its behalf	
Appendix F	Contract	
Appendix G	Registration form	

The Contract Appendices:

		Check ✓
Supplement A	Affidavit regarding confidentiality	
Supplement B	Content of work	
Supplement C	Affidavit regarding absence of conflict of interest of staff members	
Supplement D	Version of unconditional guarantee for performance of the contract	
Supplement E	Monthly report format	

Appendix A – Proposal Form (Except Price Quote)

1. General

- 1.1. The proposal form should be filled out in legible handwriting and submitted as part of the proposal for the Tender.
- 1.2. In the tables in which there is an insufficient number of lines in order to provide an answer to the Tender, the proposer may add a photocopied page of the table, which expands the number of lines for the purpose of the further detail. The photocopied page shall be attached to the proposal form at the place where the table is detailed and on the proposal form itself shall be noted “an additional table is attached.”
- 1.3. The paragraphs in the proposal form are limited in the number of lines – a proposer who is interested in so doing may submit a printed answer to these paragraphs, on condition that the space limitation remains. The printed page shall be attached at the place that was allocated for it in the proposal form.
- 1.4. In any place in the proposal form in which a signature is required, the intention is to the signature of the one authorized to sign on behalf of the proposer.
- 1.5. Documents or parts in the proposal that are attached to the proposal shall be separated by a divider, on which the content of the material and the section in the Tender to which it relates shall be noted.
- 1.6. A “**table of contents**” shall be attached to the proposal form that shall be at the beginning of the proposal form and shall refer to the pages and dividers in the proposal form.

2. The Proposer’s Details

Proposer’s Name	Proposer’s Address	
Telephone	Fax	e-mail
Details of the Contact Person on Behalf of the Proposer		
Contact Person’s Name	Position	e-mail
Telephone	Fax	Cellular phone

3. The Legal Status of the Proposer (Section 10.1 of the Tender)

3.1.. A minimum requirement for competing in the Tender is that the Proposer is a corporation registered in Israel, or alternatively, a corporation registered abroad that operates a branch or a representation in Israel. The proposer cannot be a corporation and/or association and/or consortium that incorporated for the purpose of this Tender.

The proposer must specify:

- (1) The legal status of the proposer (company/registered partnership/other)

- (2) The proposer's identification number (according to what is registered in the relevant registry) _____
- (3) Those authorized to sign for the proposer and their position with the proposer:

Sequent- ial Number	Name	Identity No.	Position with Proposer	Sample of Signature
1.				
2.				
3.				
4.				

3.2. Required documents in this section:

- 3.2.1. Certification from the relevant registrar of the corporation's registration.
- 3.2.2. Valid certification of keeping account books and recordings pursuant to the Public Bodies Transactions Law, 5736-1976.
- 3.2.3. Certification verified by an attorney or an accountant regarding the identity of those authorized to sign for the proposer and their authority to obligation the corporation with their signature.

4. **The Proposer's Business** (Section 10.2 of the Tender)

- 4.1. A threshold condition for competing in the Tender is that the proposer specializes in one or more of the following areas: strategic planning, industrial and management engineering, organizational/management/business consulting, performance studies, analysis of management/business systems for a variety of levels and units in an organization, and that it operates continuously in one or more of the above areas beginning at least in 2006.
- 4.2. The proposer must attach to its proposal a professional profile describing its activity beginning at least in 2004, relating to:
 - (1) The areas of its activity;
 - (2) Selected projects that it carried out;
 - (3) Date the project was carried out;
 - (4) Description of the project;
 - (5) The proposer's clients;
 - (6) Years of its activity in the area;
 - (7) The proposer's professional staff.
- 4.3. In order to remove doubt, it shall be clarified that the proposer must relate to its **own** data, as distinguished from data and characteristics of a connected corporation, a corporation that the proposer has a contractual relationship with, etc.
- 4.4. The proposer is entitled to attach a prospectus that introduces it and describes its activity.
- 4.5. This section **shall not exceed 15 pages**. Anything exceeding the permitted scope, which was not approved in advance by the Procurer, will not be examined.
- 4.6. The proposer must attach this section with a separate divider to the proposal form.
- 4.7. The Procurer reserves to itself the right to go directly to the proposal's clients and to members of the proposer's professional staff in order to carry out any examination as it shall consider proper for the purpose of making a decision.

5. Reliance upon an Outside Consultant (Section 11.3 of the Tender)

5.1. As specified in the Tender, the proposer may prove its meeting some of the conditions of the Tender, through reliance upon the experience of a parent company or the experience of a foreign consulting company (whose place of business is outside of Israel) with which it contracted in order to carry out the work that is the subject of this Tender (hereinafter – outside consulting).

5.2. A proposer that chose to rely upon outside consulting shall specify in its proposal:

Outside Consultant's Name	Outside Consultant's Address	
Telephone	Fax	e-mail
Details of the Contact Person on Behalf of the Outside Consultant		
Contact Person's Name	Position	e-mail
Telephone	Fax	Cellular phone

- (1) The legal status of the outside consultant (company/partnership/other)

- (2) Identifying number of the outside consultant (according to what is registered in the relevant registry) _____
- (3) Those authorized to sign for the outside consultant and their position with the outside consultant:

Sequen- tial Number	Name	Identity No.	Position with Outside Consultant	Sample of Signature
1.				
2.				
3.				
4.				

- 5.3. The proposer shall attach to its proposal a document detailing:
- (1) Relevant characteristics of the outside consultant;
 - (2) Areas of its activity;
 - (3) Its overall experience and, in particular, in carrying out work of significant organizational efficiency, as defined in the Tender, while relating to selected projects that it carried out;
 - (4) Clients for which it carried out work in the past;
 - (5) The details of the contact people for such clients, and –
 - (6) Every additional relevant detail.
- 5.4. The length of the document shall not exceed **15 pages**. Anything exceeding the permitted length, which was not approved in advance by the Procurer, will not be examined.
- 5.5. The proposer must attach this section with a separate divider to the proposal form.
- 5.6. The Procurer reserves for itself the right to go directly to the outside consultant's clients and to members of the proposer's professional staff in order to carry out any examination as it shall consider proper for the purpose of making a decision.
- 5.7. Additional documents required in this section:
- 5.7.1. A binding and signed contract or memorandum of understanding, between the proposer and the outside consultant, that sets forth the outside consultant's complete commitment and availability to the project throughout a period of at least three (3) years beginning on the date of the signing of the contract between the proposer and the Procurer, to the extent that the proposer is declared the winner of the Tender.
 - 5.7.2. To the extent that there is reliance upon a staff member who is an employee of the outside consultant – the contract or memorandum of understanding must specifically relate to that staff member and set forth the complete commitment and availability of that same staff member to carry out the work that is the subject of the contractual relation for a period of at least three (3) years beginning on the date of signing the

contract between the proposer and the Procurer, to the extent that the proposer is declared the winner of the Tender.

- 5.7.3. The contract or memorandum of understanding must **explicitly** relate to the expected number of hours during which the involvement of the outside consultant or of any member of the staff on behalf of the outside consultant will be required, while specifying the required involvement in each of the stages of the work, pursuant to Supplement B to the Contract (content of the work) and according to the proposed methodology. The contract or memorandum of understanding between the parties must emphasize that **a downward deviation of more than 15% from the number of hours noted in the contract or memorandum of understanding shall constitute a fundamental breach of the Contract, Appendix F** of the Tender.

6. Experience (Section 10.3 of the Tender)

6.1. A minimum condition for participation in the Tender is that the proposer (or an outside consultant with which the proposer contracted for purposes of the Tender) performed a process of “significant organizational efficiency,” in at least one organization that meets the **following cumulative conditions**: [1] The work ended within the last three (3) years (beginning from 2007); [2] the annual cycle of income or budget of the organization in which it carried out the process is at least NIS 300 million, in the years in which the work was carried out in the organization; [3] the organization in which the process was carried out directly employed at least 500 employees in each of the years in which the work was performed there.

6.2. The proposer must specify:

(1) The name of the organization in which the efficiency process was carried out:

(2) The income cycle or budget of the organization in which the work was performed, during the time that the work was performed:

(3) The number of employees in the organization at the time the work was performed (in each year):

(4) The type and nature of the work performed:

- (5) The date of the contract with the organization and the date of completion of the work: _____

- (6) Details of the contact person in the organization, his position and the details of making contact with him (telephone, e-mail): _____

- (7) Details of those who carried out the significant organizational efficiency work on behalf of the proposer or of the outside consultant and the details for contacting them: _____

- 6.3. The Procurer reserves for itself the right to go directly to those who ordered the work and those who carried out the work in fact in order to carry out any examination as it shall consider proper for the purpose of making a decision.

7. **Scope of the Employment of Employees by the Proposer** (Section 10.4 of the Tender

7.1. A minimum condition for participation in the Tender is that the **proposer** employ a permanent staff of employees (not including outsourcing employees, freelancers or other independent contractors), numbering at least 25 employees, and this is in the course of each of the last six years beginning from 2005 until and including 2010.

7.2. **The proposer must detail:**

Year	Average number of employees employed by the proposer
2005	
2006	
2007	
2008	
2009	
2010	

7.3. The documents required in this section:

7.3.1. Certification of the proposer's regular accountant, on the accountant's letterhead, certifying the above-stated.

8. Financial Strength (Section 10.5 of the Tender)

8.1. Threshold conditions for participation in the Tender are that beginning in 2005 and until and including 2009, the proposer's annual financial balance in each of the years is not less than NIS two million; its cash flow in at least three of the five years is positive; and its annual income cycle exceeds NIS 10 million for each year after audit.

8.2. **The proposer must detail:**

Year	Annual balance	Annual cash flow	Annual income cycle
2005			
2006			
2007			
2008			
2009			

8.3. The documents required for this section are:

8.3.1. Certification of the proposer's regular accountant, on the accountant's letterhead, certifying the above-stated.

9. The Methodological Proposal (Section 11.1.1 of the Tender)

- 9.1. The proposer shall attach to the proposal form its methodological proposal, in which it shall set forth the manner in which it intends to manage the project and to produce its results, including relating to the components of the various stages of the work, as is set forth in Supplement B to the Contract.
- 9.2. The proposal shall detail:
 - 9.2.1. The methodology according to which the work shall be performed, including presentation of the methodology that serves as the basis, and the manner of its implementation with the changes and modifications needed for the purpose of planning efficiency of the courts system.
 - 9.2.2. The work process – detailing of the interim stages, the missions, the assignments and their order. Specification of the milestones and the expected results for each milestone.
 - 9.2.3. Sources of information that the proposer intends to use, professional tools relevant for performance of the missions and the assignments.
 - 9.2.4. Schedule – A Gantt schedule must be presented, according to which Stage A of the work will be completed not later than six months from the date of signing the agreement, and Stage B of the work will be completed not later than 18 months from the date of signing the agreement.
 - 9.2.5. The proposed staff and its manner of operation – A description of the professional disciplines composing the work staff, the organizational structure of the staff, the positions and areas of responsibility within the staff. If the structure of the staff differs according to the various stages of work, the structure of the staff in each stage is to be detailed.
 - 9.2.6. Relation to the special characteristics of the courts system in Israel, and the central issues that the proposer intends to focus upon in its work.
- 9.3. The proposer may submit a proposal including additions to the assignments detailed in Supplement B to the Contract, on condition that the proposal addresses the objectives, the goals and the results specified in Supplement B.
- 9.4. This section **shall not exceed 30 pages** and graphs may be included in it. If the permitted length is exceeded without prior permission of the Procurer, the excess will not be examined.

9.5. The proposer must attach this section to the proposal form with a separate divider.

10. Ability and Experience of the Proposer in Carrying out Relevant Projects (Section 11.1.2 of the Tender)

- 10.1. The proposer shall attach to the proposal form at least three (but not more than five) executive abstracts that it submitted to its clients of relevant works that it completed in the last seven years and that were submitted by it to those ordering the work.
- 10.2. In addition, the proposer must attach to each executive abstract a document detailing:
 - (1) The name of the project;
 - (2) The procurer;
 - (3) The scope of the project;
 - (4) The time period of the project and its date;
 - (5) A description of the project;
 - (6) Name of a contact person, his position in the organization and his contact information;
 - (7) The role of the proposal in the project and the additional entities that participated in the project;
 - (8) The extent of implementation, assimilation and strength of the change occurring in the organization as a result of the work and the recommendations;
 - (9) Reference to the procurer's satisfaction.
- 10.3. The Procurer reserves for itself the right to go directly to those who ordered the work in order to carry out any examination as it shall consider proper for the purpose of making a decision.
- 10.4. This section **shall not exceed 10 pages**. If the permitted maximum length is exceeded without prior permission of the Procurer, the excess will not be examined.
- 10.5. The proposer must attach this section to the proposal form with a separate divider.

11. The Abilities and Experience of the Proposed Head of the Staff (Section 11.1.3. of the Tender)

11.1. The proposed head of the staff must be an expert, with at least 10 years of experience in leading or accompanying processes of efficiency in the organizational or business field of at least three organizations, the income cycle, annual budget of each of which exceeds NIS 300 million (or the equivalent amount in foreign currency).

11.2. For the purpose of proving the required ability, the proposer must specify in its proposal **regarding each project** that the proposed head of the staff led or accompanied:

(1) Name of the project:

(2) The procuring organization:

(3) The income cycle or the annual budget of the procuring organization:

(4) The scope of the project:

(5) Duration and date of the project:

(6) Description of the project:

- (7) Extent of the implementation, the assimilation and the strength of the change in the organization of the efficiency recommendations:

- (8) The position of the head of the staff in the framework of the project:

- (9) The name of the contact person, his position in the organization and his contact details (telephone and e-mail):

11.3. The Procurer reserves for itself the right to go directly to those who ordered the works, as well as the proposed head of the staff, in order to carry out any examination as it shall consider proper for the purpose of making a decision.

11.4. Documents required in this section:

11.4.1. Detailed resume of the proposed head of the staff;

11.4.2. Copies of the educational certificates of the proposed head of the staff;

- 11.4.3. Commitment of the proposed head of the staff to complete availability for the purpose of carrying out the work for a period of three years at least from the date of signing the Contract. The commitment shall be submitted as an affidavit signed in the presence of an attorney.

12. The Abilities and Experience of the Main Holders of Positions in the Proposed Staff
(Section 11.1.3.2. of the Tender)

12.1. The proposer shall specify, with respect to each of the main holders of positions in the proposed staff (three to five) as set forth below:

(1) The name of the staff member:_____.

(2) His position on the staff and his area of responsibility: _____.

(3) Experience relevant to the subject of the work: _____

_____.

(4) Works performed with the participation of the member of the staff; and regarding each of them – the details of the procurer, the scope and nature of the work, the date of performance of the work and his position on the staff: _____

_____.

(5) Relevant employment experience – place of employment, position, seniority, substantive subjects that he dealt with, relevant knowledge (including education) _____

_____.

(6) Contact information of the proposed member of the staff: _____

12.2. The Procurer reserves for itself the right to go directly to those who ordered the works, as well as to proposed members of the staff themselves, in order to carry out any examination as it shall consider proper for the purpose of making a decision.

12.3. Documents required in this section:

- 12.3.1. Detailed resume of the each of the proposed members of the staff;
- 12.3.2. Copies of the educational certificates of the each of the proposed members of the staff;
- 12.3.3. Commitment of the proposed member of the staff to complete availability for the purpose of carrying out the work for a period of three years at least from the date of signing the Contract. The commitment shall be submitted as an affidavit signed in the presence of an attorney.

13. The Experience of the Proposer or of a Proposed Member of the Staff in Carrying out a Similar Project in a Foreign Legal System (Section 11.1.4 of the Tender)

13.1. To the extent that the proposer itself or a member/s of the proposed staff has experience in carrying out a similar “project” in a foreign legal system that was completed within the last 10 years, the proposer should specify as follows:

(1) The name of the organization in which the work was performed: _____

(2) The characterizations of the organization in which the work was performed:

(3) The date the work was performed: _____

(4) Description of the work: _____

(5) Details of the entity that carried out the work in actuality, and its contact information: _____

(6) Name and details of a contact person on behalf of the client: _____

13.2. The Procurer reserves for itself the right to go directly to those who ordered the works, as well as to the one with experience himself, in order to carry out any examination as it shall consider proper for the purpose of making a decision.

General Declaration

We, the undersigned, who are authorized to undertake and to sign in the name of _____ (hereinafter – “the Proposer”), are honored to submit a proposal for the provision of services, in accordance with the terms of the Tender and the Contract with all of its appendices (hereinafter – “the Tender documents), and undertake and declare as follows:

1. We are in possession of all of the Tender documents, we have read them, we understand them well and we are aware of the complexity and importance of the mission, the time schedules for performing the services requested in the Tender, and the fact that the head of the staff and the other members of the staff will be required to maintain a very high level of availability in order to comply with these schedules.
2. We are aware of the high level of fiduciary responsibility towards the Procurer required in the framework of the services and we will act to insure all of the relevant aspects for the purpose of furthering this fiduciary responsibility throughout the entire period of the contract with the Procurer and afterwards, including the absence of a conflict of interest or any apprehension of the existence of a conflict of interest, confidentiality of information that we become aware of in the course of provision of the services and prevention of any use of it that is not in the framework of the contract with the Procurer.
3. Our proposal is submitted after we seriously considered all of the requirements set forth in the Tender documents and the Contract and we undertake to fulfill these requirements.
4. The proposer reports to the Value Added Tax Authority as required by law.
5. The proposer meets the requirements of every law, including regarding the payment of benefits and minimum wages to its employees, at every date on which payments are made to employees, and undertakes to fulfill, during the period of the contractual relationship the provisions of any relevant law for the purpose of performing the work according to the Tender, including the various labor and safety laws, as they are set forth in Chapter 3, section 3 of the Financial and Economic Code.
6. The proposer and anyone it operates in the framework of the contract have all of the certifications and licenses required pursuant to any law (including: certifications regarding business licenses, certifications of lawful employment of employees, certifications from the planning and construction authorities), no criminal or civil legal proceedings are being carried on against the proposer that have a bearing on the services

that it is providing or will provide to the Procurer or that could have an impact on its ability to meet its obligations according to its proposal.

7. I consent to the provision of any information contained in the Crime Register as set forth in the Crime Register and Rehabilitation of Offenders Law, 5741-1981, regarding the proposer and its directors, whose details are set forth below:

The directors: _____

8. Below are my name and signature and I declare that the above-stated is true.

Name and Signature

Date

Certification

I, the undersigned, Advocate _____ certify that on _____ Mr. _____, identity number _____, who is authorized to undertake obligations on behalf of the proposer, and with whom I am personally acquainted /whom I identified according to identity document number _____, appeared before me and after I warned him that he is required to state the whole truth and only the truth and that if he does not do so he will be subject to the penalties set forth in the law, confirmed to me that his affidavit is correct and he signed it before me.

Attorney, name and signature

Date

Appendix B – Price Quote

[To be submitted in a separate closed and sealed envelope]

The fixed price quote for the performance of Stages A and B:

- The fixed price quote for Stage A is NIS_____ and in words NIS _____.
- The fixed price quote for Stage B is NIS _____ and in words NIS _____.
- The price quote for an hour of work for the performance of Stage C is:

The group	Maximum price for an hour of work	Minimum price for an hour of work	Weighting coefficient	Price asked for an hour of work
Directors/foreign consultant	NIS 750	NIS 500	500	
Senior employees	NIS 400	NIS 300	1,800	
Junior employees	NIS 180	NIS 120	700	

- None of the prices includes VAT.
- As stated in the provisions of the Tender, the overall weight of the price quote is 30% of the total points that will be given to the proposal.

In witness whereof we have signed:

First name and surname	Position	Signature
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First name and surname	Position	Signature
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Stamp of the Proposer	Date
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Appendix C – Affidavit Regarding Lawful Employment of Foreign Employees and Payment of Minimum Wage Pursuant to the Public Bodies Transactions Law, 5736-1976

1. I am authorized to sign on behalf of the _____ Company (hereinafter – “the Company”) and I am giving this affidavit in the name of the Company, as a condition for participation in Tender No. 21/10 of the Courts Administration regarding the efficiency of the courts system.
2. I, the undersigned, _____, holder of identity document number _____, from _____ Street, after having been warned that I must attest to the truth and that I will be subject to the penalties set forth in the law if I do not do so, attest herein in writing as set forth below:
3. I hereby declare that one of the following is fulfilled in the Company:
 - (a) Neither the Company nor those having an attachment to it have been convicted in a final judgment of an offense pursuant to the Foreign Workers Law.
 - (b) Up to the last date for the submission of the requests, neither the Company nor those having a connection to it have been convicted in a final judgment of more than two offenses pursuant to the Foreign Workers Law.
 - (c) If the Company or those having a connection to it have been convicted in a final judgment of two or more offenses pursuant to the Foreign Workers Law – I declare that more than one year has elapsed since the last conviction up to the last date for the submission of the request.
4. I hereby declare that of the following is fulfilled in the Company:
 - (a) Neither the Company nor those having a connection to it have been convicted in a final judgment of an offense pursuant to the Minimum Wage Law.
 - (b) Up to the last date for the submission of the requests, neither the Company nor those having a connection to it have been convicted in a final judgment of more than two offenses pursuant to the Minimum Wage Law.
 - (c) If the Company or those having a connection to it have been convicted in a final judgment of two or more offenses pursuant to the Minimum Wage Law – I declare that more than one year has elapsed since the last conviction up to the last date for the submission of the request.

Regarding sections 3 and 4 above, and regarding these definitions:

“Means of control,” “possession” and “control” – consistent with their meaning in the Banking (Licensing) Law, 5741-1981;

“One having a connection” – each of these:

- (1) an association of people controlled by the supplier;
- (2) if the provider is an association of people, one of these (a) the holder of control in it; (b) an association of people in which the composition of the its shareholders or its partners, as applicable, is similar in its substance to such composition of the provider; (c) one who is responsible on behalf of the provider for the payment of employment wages;
- (3) if the provider is an association of people substantively controlled – another association of people that is substantively controlled by the entity controlling the provider.

“Convicted” of an offense – convicted in a final judgment of an offense that was committed after 28 Cheshvan 5763 (October 31, 2002);

“The Foreign Workers Law” – the Foreign Workers (Prohibition of Employing Unlawfully and Insuring Fair Terms) Law, 5751-1991.

“The Minimum Wage Law” – the Minimum Wage Law, 5747-1987;

Substantive control – possession of three-quarters or more of a certain means of control in a concern of people;

5. This is my name, this is my signature and my affidavit above is true.

Affiant's name and signature

Certification

I, the undersigned, Advocate _____ certify that on _____ Mr. _____, identity number _____, who is authorized to undertake obligations on behalf of the Company, and with whom I am personally acquainted /whom I identified according to identity document number _____, appeared before me and after I warned him that he is required to state the whole truth and only the truth and that if he does not do so he will be subject to the penalties set forth in the law, confirmed to me the that his affidavit is correct and he signed it before me.

Attorney, name and signature

Date

Appendix D – Certification of Keeping Account Books and Records Pursuant to the Public Bodies Transactions Law, 5736-1976

1. I the undersigned, _____, am an “authorized officer” consistent with the meaning of that term in the Public Bodies Transactions Law, 5736-1976, an accountant/tax consultant [cross out the inapplicable term] hereby report that to the best of my knowledge:

_____ (hereinafter – “the Supplier”)

Name

Registration No. of a concern of people

- (a) Keeps/is exempt from keeping [cross out the inapplicable term] the account books and the records that must be kept pursuant to the Income Tax and Value Added Tax Ordinance, 5736-1975.
- (b) Is accustomed to reporting to the tax assessment officer regarding his income and to the Director of VAT regarding transactions on which tax is imposed pursuant to the Value Added Tax Law.
2. This certification does not constitute proof regarding the admissibility of the account books, it cannot be binding in any manner whatsoever before an appeals committee or before the court and it does not establish a position regarding the conformity of the statements, the date upon which they were submitted and the amounts paid pursuant to them.
- 3, The certification is valid from the day it was issued until _____.

_____	_____	_____	_____
Name	Title	License No.	Signature

Date _____

Appendix E – Affidavit Regarding the Absence of Conflict of Interest

We, the undersigned, who are authorized to undertake and to sign in the name of _____ (hereinafter – “the Proposer”), declare and undertake in the name of the proposer as follows:

1. There is no conflict of interest or apprehension of a conflict of interest between the requested services in this Tender and any other activity of the proposer, of senior figures with the proposer, or of each of the members of the staff proposed by it to carry out the project.
2. The proposer undertakes not to be in a situation of conflict of interest or apprehension of the existence of a conflict of interest connected to the provision of the services that are the subject of the Tender, including refraining from providing services to any other body or entity that would put it in a conflict of interest or apprehension of the existence of a conflict of interest toward the Procurer. The proposer undertakes to notify the Procurer immediately of every given or situation due to which the proposer, holders of senior positions with it or some on its behalf are likely to be in a situation of conflict of interest or of apprehension of conflict of interest as stated, in connection with the provision of the services that are the subject of this Tender, and this is immediately upon the Proposer becoming aware of them, and this is at any stage of the Tender, or the contractual relationship with the one making the order, if the Procurer enters into a contract with it.
3. Without derogating from the aforesaid, the Proposer undertakes not to be in a situation of conflict of interest even after completion of provision of the services requested in this Tender, in the event that the Procurer should enter into a contract with it, including regarding the refraining from representing various bodies or entities in matters touching, directly or indirectly, upon the services requested in this Tender and that are likely to put the Proposer in a situation of conflict of interest in connection with such supply of services. The Proposer knows that the decision regarding the existence of a conflict of interest or the apprehension of the existence of conflict of interest, even after the period of the contractual relationship, is given exclusively to the Procurer, and the Proposer undertakes to act in accordance with its guidelines, as shall be the case at all times.
4. The Proposer shall take upon itself to carry out any decision of the Procurer in matters relating to this affidavit, according to the absolute discretion of the Procurer, including a decision of termination of the contractual relation between it and the Procurer or between the Proposer and any other third party, including a decision to refrain from entering into a contract with any third party whatsoever, all of this during the time period of the contractual relationship with the Procurer and the time period afterwards.

In witness whereof we have signed

First name and surname	Position	Signature
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First name and surname	Position	Signature
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Stamp of the Proposer	Date
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Certification

I, the undersigned, Advocate _____ certify that on _____ Mr. _____, identity number _____, who is authorized to undertake obligations on behalf of the Company, and with whom I am personally acquainted /whom I identified according to identity document number _____, appeared before me and after I warned him that he is required to state the whole truth and only the truth and that if he does not do so he will be subject to the penalties set forth in the law, confirmed to me that his affidavit is correct and he signed it before me.

Attorney, name and signature

Date

Appendix F – Agreement

(The Agreement and its supplements are attached in a separate file)

Appendix G – Registration Form for the Purpose of Filing a Proposal in Tender 21/10 – Consulting and Strategic Planning Services for the Advancement and Improvement of the Courts System

To:

Ms. Efrat Shriki Roseman

Projects Branch, Inbal Insurance Company, Ltd.

Through e-mail: court@inbal.co.il and or/fax 03-9778165

1. Name of Proposer_____.
2. Address of Proposer _____.
- 2.1. Telephone_____, fax _____, e-mail_____.
3. Name of contact person for the Proposer _____, position _____.
- 3.1. Telephone _____, cellular phone _____, fax _____, e-mail _____.

- I am aware that as long as the final date for the submission of proposals has not elapsed, the Procurer may amend the Tender documents including canceling the Tender and/or postponing the final date for the submission of proposals.
- In order to remove all doubt, it is clarified that registration for the Tender does not impose upon the registered party any obligation whatsoever, including an obligation to submit a proposal for the Tender.

Proposer's Signature: _____

Date: _____