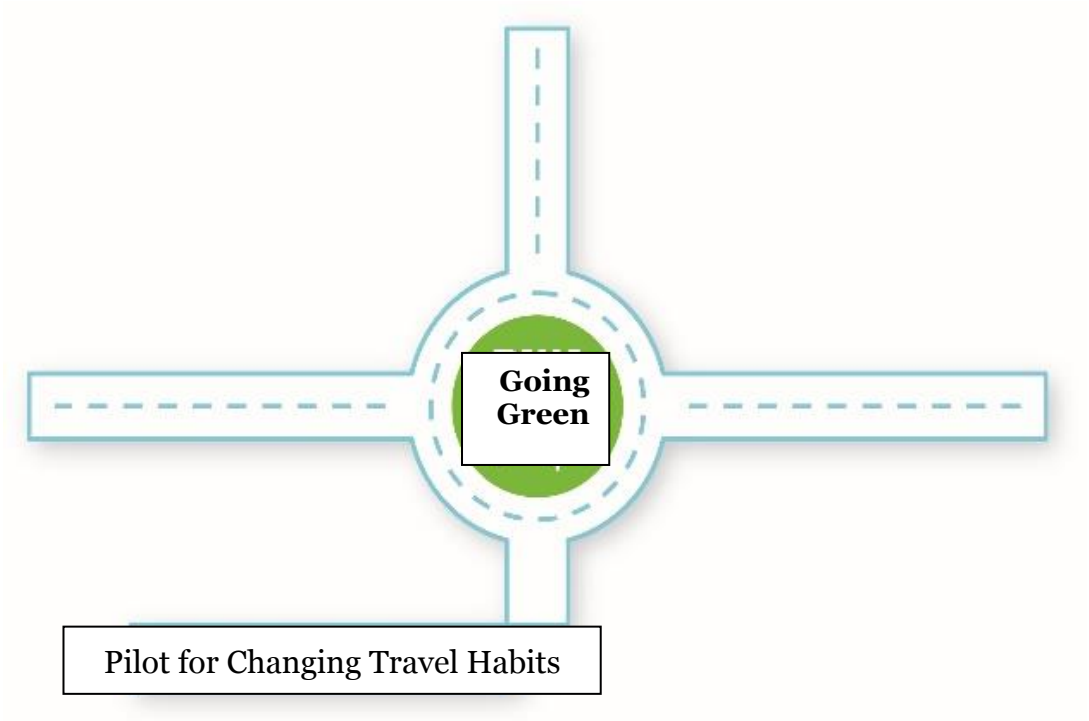
Request for Information

On the subject of vehicle occupancy detection systems in shared vehicles, as part of the Going Green 3 Pilot



1. General

Ayalon Highway Ltd. (Hereinafter: the **"Company" / "Ayalon Highway"**) hereby announces a Request for Information (RFI) on the subject of vehicle occupancy detection systems in shared vehicles (hereinafter: the **"RFI"**).

2. Background

2.1 In 2010, the State of Israel reached a decision (no. 2008) whereby the Minister of Finance and the Minister of Transportation and Road Safety were assigned the responsibility of appointing a professional committee to examine a multi-year process designed to implement the following: increase the average occupancy factor; create a better awareness of the costs by passengers driving private vehicles and examine how the aforesaid should be executed while protecting the right to privacy. The government decision included, inter alia, the authority to conduct a pilot to examine the different implications of said process.

2.2 Pursuant to the aforesaid government decision, starting from 2013, the Going Green 1 Pilot was conducted with the purpose of examining the changes in the travel habits of drivers with high annual mileage levels ("heavy drivers") using a private vehicle, as a result of financial incentives. At the beginning of 2014, the Going Green 2 Pilot commenced, designed to examine the changes in behavior among 'light drivers' of private vehicles. Information about the two pilots can be found in the pilot's website. http://www.goingreen.org.il.

3. Going Green 3 Pilot

3.1 Following the earlier pilots and in order to draw sufficiently reliable conclusions in order to implement policy that deals with issues such as crediting and charging many participants, a decision has been made to conduct an extensive and lengthy pilot in a format similar to an operational conditionst - Going Green 3.

3.2 Ayalon Highway Ltd., being a Government owned company in charge of promoting the planning and execution of transportation projects, and the operational arm of the Ministry of Transportation, was appointed by the Ministries of Transportation and Finance to manage the Going Green 3 Pilot.

3.3 In May 2018, Tender no. 21/18 for the selection of operators for the Going Green 3 Pilot was published. Going Green 3 is an extensive pilot that will include 100,000 volunteers to be gradually enlisted in the pilot, during the first stage. The pilot will be managed and operated by 3 companies to be selected as part of the tender, and which will be responsible, inter alia, for the enlistment of volunteers, for trip

monitoring, and for paying the volunteers (hereinafter: **the "Operators**"). The duration of the planned pilot is 10 years, and it is scheduled to begin during the first quarter of 2019.

4. Vehicle Occupancy Detection as part of the Going Green 3 Pilot

4.1 One of the main goals of the Going Green 3 Pilot is to encourage carpooling.

4.2 Each volunteer enlisted by the operators will be given an annual conceptual budget. The volunteer's conceptual budget will be decreased or increased based on a volunteer's use of his vehicle. For example, if a volunteer will use his car for carpooling, his budget will be increased.

4.3 **In order to determine which of the volunteers uses his car for a carpool, and in order to calculate the incentives for volunteers, Ayalon Highway is considering using a technological tool in the Going Green 3 Pilot that will detect the occupancy level in the vehicles participating in the Pilot (hereinafter: the "Technological Tool").**

4.4 Currently the Company is interested in examining a wide variety of potential technological tools that are in the development or in the implementation stages, while taking into consideration the timetable set for the Going Green 3 Pilot, provided these technological tools meet the following specific conditions:

4.4.1 Simple for installation (if necessary) and operation by the volunteers.

4.4.2 Automatic operation with no need for intervention by the driver or the passengers.

4.4.3 There will be no interruption in the driving, and no violation of any legal safety rules.

4.4.4 Reliable information will be transferred to the Pilot's information systems in real-time/on-line.

4.4.5 Ability to cope with fraud attempts.

4.4.6 It will be operated according to, and based on all the requirements and provisions of the Law, including the Privacy Protection Law of 1981 and its amendments, and the provisions of the Privacy Protection Authority.

4.4.7 It is capable of providing continuous dynamic information in real time, with respect to the precise geographic location of the vehicle and the number of its occupants at that time and place.

In this context, it is clarified that the set minimum for number of occupants may change from time to time, based on the needs of the Pilot, as will be determined by Ayalon Highway Ltd.

5. The Response

5.1 As part of the response, the following information must be provided:

5.1.1 General information regarding the party responding to the RFI: The number of years of the respondent's activity, key figures (CEO, Deputy General Managers/Vice Presidents and development staff), main technologies upon which the respondent's activity is based. Response should be provided on the attached **Appendix A**.

5.1.2 Description of the technology upon which the proposed technological tool is based and the manner it is implemented in the context of vehicle occupancy detection. Reference should be made to the subjects detailed in **Appendix B**. To the extent that additional applicable, relevant developments exist, additional information on these should be provided as well.

5.1.3 A general description of the readiness of the proposed technological tool to be implemented in the Going Green 3 Pilot. Information should be provided, to the extent possible, regarding levels of accuracy and confidence levels of the detected vehicle occupancies obtained in experiments of the technological tool, including detailed description of these experiments. In case the technological tool has not reached a readiness level of a finished product that is ready to be operationally used, it is required to specify the required development processes which are still necessary, including predicted time table for completion, main milestones for completing the development, etc. In addition, specify whether any trial runs and/or pilots have been conducted, and who has been involved in the development process. Such information is to be provided as an appendix to the response to this RFI. In this framework, respondents are asked to specify the identity of the parties involved in the development and production processes.

5.2 The response should be submitted in Hebrew or in English, together with the necessary documents and details as specified above, including all relevant information such as presentations, videos, photographs, documents, test and experiment information, etc., by email: shanim@ayalonhw.co.il no later than February 14, 2019.

5.3 Questions or requests for clarification regarding this RFI should be submitted no later than January 30, 2019, using the email address above.

6. General Instructions

6.1 Respondents to this RFI are asked to indicate the information and/or documents included in the response they have submitted, which, in their opinion, constitute a trade secret. Subject to the Law, Ayalon Highway Ltd. will maintain confidentiality and will not disclose and/or transfer any information that constitutes a trade secret that it received as part of this RFI, with the exception of employees of Ayalon Highways Ltd., and its consultants, for whom this said information is essential to complete their duties. Additionally, the respondents in this RFI are entitled to submit documents and references in which they have blacked out details that are not relevant to this RFI.

6.2 This RFI does not constitute any type of undertaking by the Company to publish a tender on its subject, and if published respondents will have no advantage or preference in it. Furthermore, should such tender be published, responding to this RFI will not ensure meeting the prerequisites, or any other condition in the matter of said tender.

6.3 Should the Company determine to publish said tender, it will be entitled to request, as part of the tender, services that differ from those presented in this RFI, and will be entitled to set additional terms or terms that differ from the terms presented in this RFI, based on its sole discretion.

6.4 The Company is entitled to request clarifications, supplementations or additional information from any party responding to this RFI or from other parties, as it sees fit.

6.5 The Company is entitled to invite any of the respondents for the purpose of presenting their response to its representatives. It should be noted that the Company is not obligated to invite all the respondents.

6.6 The Company will consider favorably an invitation to demonstrate the technological tool at the respondent's site, using an outline selected by the respondent.

6.7 Every respondent to this RFI declares that he agrees that the Company shall be entitled to make use of the information that he submits, either entirely or partially, for the purposes of preparing a tender or for any other purpose it shall see fit.

6.8 A respondent to this RFIs declares that it relinquishes, in advance, any claim, including in the matter of intellectual property and/or legal suit and/or demand from the Company or someone on its behalf and/or from the Ministry of Transportation on the basis of the information included as part of his response to this RFI, or as part of subsequent requests for clarifications, if any.

6.9 The Company is entitled to cancel this RFI at any stage and for any reason.

6.10 It is noted that Ayalon Highway Ltd. does not undertake to select any technology that is presented as part of this RFI , and that it is entitled not to implement any technology that is presented as part of this RFI, based on its exclusive discretion.

Appendix A – Respondent's Profile

Name: _____ Corporation No./L.D.: _____

Year Established: _____ Address: _____

Name of the Respondent's liaison: _____ Position: _____

Telephone: _____ Email: _____

Name of the Respondent's Owners

1. _____ I.D. _____
2. _____ I.D. _____
3. _____ I.D. _____

(If the owner is a corporation, specify the owners of that corporation)

Fields of Activity: _____

Main technologies upon which the Respondent's activity is based:

_____

_____

_____

_____

Key Figures – CEO, Deputy General Managers/Vice Presidents and development staff: _____

_____

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*Additional documents and any relevant information may be attached.

Appendix B – Main subjects that need to be addressed

1. Method of vehicle occupancy detection.
2. Description of the technologies that will be used.
3. General description of the system including the necessary means, type of required accessories in the vehicle or with the vehicle's passengers, installation method.
4. Ability to interface and transfer information in real time to the Going Green 3 Pilot system and its operators.
5. Method for determining the location of the vehicle.
6. Information validation, main risks.
7. Fraud prevention methodology.
8. Installation method (if relevant).
9. Method of transmission to the main system, time for synchronization.
10. System's survivability level.
11. Method for saving and storing information in the absence of communication.
12. Interfaces necessary to other systems in the vehicle (such as electric power, cellular communication, etc.), and information regarding electricity consumption, power source, expected time between re-charges, lifespan of the internal electrical source (if exists), replacement method.
13. Maintenance required for the proposed system.
14. Explanation regarding the manner of protecting privacy.
15. Calculated, or expected, confidence level with regard to the determined vehicle occupancy levels, based on previous experiments (if such data exit).
16. Information regarding additional applicable and relevant developments, if any.