

Tender No. 68/19
For Vehicle Occupancy Detection System
For "Alter-native" Experiment

1. Ayalon Highways Co. Ltd (hereinafter the "**Company**"), hereby requests proposals from any eligible Bidder that complies with the requirements specified in the Tender for providing a Vehicle Occupancy Detection System as a turn-key project, all as described in the Tender Documents (hereinafter the "**Tender**").
2. A Bidder may be either: (1) An entity (company or registered partnership) duly organized and validly existing under the laws of the State of Israel, in compliance with all of the Pre-Qualification Requirements set forth in the Tender; or (2) An entity (company or registered partnership) duly organized and validly existing under the laws of Authorized State (as defined in the Tender), in compliance with all of the Pre-Qualification Requirements set forth in the Tender.
3. Pre-Qualification Requirements

Any Bidder who desires to submit a Bid must demonstrate its compliance with all the Pre-Qualification Requirements set forth in this Section below.

3.1. General Pre-Qualification Requirements

- 3.1.1. It is the owner of, or holds, a perpetual, irrevocable, license for the entire Agreement term including the option and warranty terms for all rights, including all intellectual property rights (IP), in the software and hardware components (if applicable) of the proposed System that is proposed in the Bid and has the right to assign such rights to the Company in accordance with the Agreement.
- 3.1.2. The Bidder has all the required approvals and affidavits under the Public Entities Transactions Law, 1976, valid to the Final Bid Submittal Date. [Applies only to legal entities incorporated in Israel or registered Foreign Company As the term is defined in the Companies Law, 5759-1999]

3.2. Professional Pre-Qualification Requirements

The Bidder, by itself or by a Related Entity or by System Manufacturer or by a Related Entity of the System Manufacturer, is in full compliance with all the requirements set forth below:

- 3.2.1. It is the owner of, or holds, a perpetual, irrevocable, license for the entire Agreement term including the option and warranty terms for all rights, including all intellectual property rights (IP), in the software and hardware components (if applicable) of the proposed System that is proposed in the Bid and has the right to assign such rights to the Company in accordance with the Agreement;

3.2.2. The proposed System complies with one of the following:

3.2.2.1. The proposed System is implemented in at least one project that meets all the following requirements:

3.2.2.1.1. The project contained at least 1,000 vehicles in which the proposed System was installed in.

3.2.2.1.2. The duration of the project was at least 6 months.

3.2.2.1.3. As part of the project, at least 5,000 reports were made from vehicles in which the proposed System was installed in.

3.2.2.1.4. As part of the project, the proposed System has automatically detected vehicle occupancy while meeting at least two of the accuracy parameters included in the definition of the term Accuracy.

- OR -

3.2.2.2. The proposed System has completed at least one feasibility study, and the performance and results of which are backed up in writing by a Relevant Authority.

3.2.2.2.1. The feasibility study presented will meet all the following requirements:

3.2.2.2.2. The feasibility study was performed in the five years preceding the Final Bid Submittal Date.

3.2.2.2.3. The feasibility study contained at least 5,000 vehicles.

3.2.2.2.4. As part of the feasibility study, a Relevant Authority has confirmed that the proposed System has automatically detected vehicle occupancy while meeting at least two of the accuracy parameters included in the definition of the term Accuracy.

Please see the definitions set forth in the Tender documents regarding the Pre-Qualification Requirements.

4. Each Bidder shall submit together with its Bid, all the documents required in order to prove its compliance with the Pre-Qualification Requirements and any other document required under the Tender Documents.

5. The Tender Documents may be obtained at the Company's offices, situated on 2nd Nim Blvd., Rishon LeZion, Israel [7th floor], on Sunday to Thursday, between 9:00 to 14:00. The Tender Documents can be viewed at the Company's website at: www.ayalonhw.co.il. The Bidders are required to check the Company's website on a regular basis for any Addenda, updates, changes or modifications during the Tender process and especially before the Final Bid Submittal Date. The Company shall have no responsibility to inform an individual Bidders of any such publication.
6. The Tender Documents include a detailed description of the Tender and its terms, and the Agreement to be signed with the Winning Bidder and its terms. All terms used herein shall have the meaning ascribed to such terms in the Tender Documents. If a contradiction between this ad and the Tender Documents shall be found, the provisions of the Tender Documents shall prevail.
7. The term of the Agreement to be signed with the Winning Bidder is for a period of three (3) years. Thereafter, the Agreement may be extended for additional seven (7) periods of up to one (1) year each.
8. The Bids and the Tender Documents are to be delivered to the Tender Box at the Company's offices by hand delivery only and **no later than 12:00 local Israeli time on September 8th, 2019.**
9. Any request for clarifications should be submitted in writing only to the Email address: shanim@ayalonhw.co.il, no later than **August 18th, 2019, at 12:00 pm** (Israel time)
10. Bidders conference meeting will be held on **August 8th, 2019 at 11:00 a.m** (Israel Time). Participation in the Bidders conference meeting is not mandatory.
11. The Company may, at its sole and absolute discretion, determine not to accept any or all the Bids, in accordance with applicable law.
12. The Company reserves the right, at its sole and absolute discretion, to engage in negotiation with some or all the Bidders.

Itamar Ben Meir,

C.E.O.