



מדינת ישראל
State of Israel



Ministry of the Interior
Population, Immigration and Border Authority

**Tender No. 118/2011 for the supply of a
Biometric Matching System**

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A. Introduction

1. Request for Proposals

The Population, Immigration and Border Authority of the Ministry of the Interior (hereinafter: the "**Authority**") invites Respondents who comply with the requirements of this Tender, to submit their proposals for the supply of a Biometric Matching System suitable for use in a national scale biometric database. All, as stipulated in the Tender documents.

2. Background

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

2.2. The Law provides that the regulations be effected in stages. Inter alia, it establishes a trial period of two (2) years, commencing on November 1, 2011, which can be extended for a further two (2) years. During this period, the Law will apply only to those residents who agree to be included in a central biometric data base established by the Law. Therefore, in this period, the Israeli Government will issue biometric Identification Documents only to persons included in the biometric data base. This will be done without derogating from the existing rights of those residents who do not agree to be included in the database. At the end of the trial period a decision will be made as to the future application of the law regarding the biometric database.

2.3. The application for a biometric Identification Document will be done using two flat fingerprints and a face image, as biometrics. This biometric information will be stored in the data base and will be embedded in the Identification Documents.

3. Definitions

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

3.1. "**Authority**", the "**Population Authority**" – The Population, Immigration and Border Authority of the Ministry of the Interior.

3.2. "**Tender Committee**" – Tender committee of the Authority.

- 3.3. **The "Purchaser", "The Biometric Database Management Authority" or the "Biometric Authority"**– An authority established by law in order to regulate and manage the Biometric Database. This Authority has been recently established, and although Tender is conducted by the Population Authority, the Supplier will sign the contract with the Biometric Authority.
- 3.4. **"Biometric Enrollment"** - The process of collecting biometric data samples from a person and subsequently storing the data in a reference template representing a user's identity to be used for later comparison.
- 3.5. **"Duplicate enrollment"** - An event in which a person who has been enrolled in the Biometric Database attempts to enroll (advertently or inadvertently) in the same Database, a second time.
- 3.6. **"De-Duplication"** - A process of biometric comparisons designed to ensure that no enrolled person has been assigned more than one unique record in the Biometric Database.
- 3.7. **"Verification"** - The process of comparing a biometric sample submitted by a person, against the (specific) biometric reference template (1:1) of a single enrollee whose identity is being claimed (one-to-one process), to determine whether it matches the enrollee's template. Contrast with "Identification."
- 3.8. **"Identification"** - The one-to-many (1:N) process of comparing a submitted biometric sample against all of the biometric reference templates on file (in the Database), to determine whether it matches any of the templates and, if so, the identity of the document holder whose template was matched. The biometric system using the one-to-many approach is seeking to find an identity within a database rather than verify a claimed identity. Contrast with "Verification".
- 3.9. **"Travel Documents"** – Passports or Travel Documents as defined by the (Israeli) Passport Law 5712 –1952;
- 3.10. **"Identity Card"** –As defined in the (Israeli) Population Registry Law 5726 – 1965.
- 3.11. **The "Supplier"** – The winner of the Tender (with which a contract will be signed).
- 3.12. **The "Contract" or the "Agreement"** – Appendix H of the Tender.

- 3.13. **"Proposal Form"** – Appendix B of the Tender.
- 3.14. **The "Website"** – The website with the Internet address: www.piba.gov.il, under the link "Publications and Tenders".
- 3.15. **ICAO**– International Civil Aviation Organization;
- 3.16. **"Means of Control"** – in a corporation, any of the following:
 - 3.16.1. The right to vote at the general assembly of a company or at an equivalent meeting of another entity;
 - 3.16.2. The right to appoint a director or General Manager in an entity;
 - 3.16.3. The right to participate in the distribution of profits of the corporation;
 - 3.16.4. The right to participate in the surplus assets of an entity at liquidation after its liabilities are discharged;
- 3.17. **"Control"** – The ability to direct the activity of a corporation – whether alone or with others or through others, directly or indirectly – arising from holding the Means of Control in that corporation or in any other corporation; including capability that derives from the corporation's articles of association, from a written, oral or any other kind of agreement; or which derives from any other source, other than during the routine fulfillment of an employee's duties in the corporation;
 - 3.17.1. Without derogating from the generality of the above, one will be perceived as having substantial influence in a corporation if one holds fifty percent or more of any Means of Control in the corporation; or if one has the ability to prevent or impose the adoption of business decisions in the corporation, other than resolutions relating to the Means of Control in the corporation or decisions regarding the sale or liquidation of the majority of the corporation's business or the institution of material changes therein; The presumption is that one has control in a corporation if one holds the majority of Means of Control of any kind;
- 3.18. **"Qualified Respondent"** – Respondents that are qualified as compliant with the threshold criteria stipulated in this Tender.

- 3.19. **"Standard Server"** - Server configuration as detailed in Appendix D.
- 3.20. **"Production Phase"** – As stipulated in sections 6.1.2 and 12 of the Contract.
- 3.21. **"Key Subcontractor"** – A subcontractor which is fully responsible for all technical, technological, tuning and optimization, and final performance (including accuracy) issues related to the software of a biometric matching system throughout all project phases including architecture design, customization, installation, implementation, tuning, optimization including transition to ongoing production of the final system.

4. Substance of the Contract

- 4.1. The Supplier will supply the State of Israel with **a system whose primary purpose is to prevent duplicate enrollments for residents applying for Identification Documents**. Secondary purposes of the system, which will be implemented at a later stage, include:
 - 4.1.1. Identification of bodies in cases of mass disasters - of people who were carrying no identifying documents, or whose identifying documents were destroyed as a result of the disaster;
 - 4.1.2. Fighting crime - limited access will be allowed, under court orders and according to the details outlined in Israeli legislation;
 - 4.1.3. Identifying paperless persons according to the details outlined in Israeli legislation.
- 4.2. The Biometric Authority will independently maintain the system during the Production Phase.
- 4.3. The Biometric Authority will directly purchase (not from Supplier) Standard Servers, in the quantity required for optimal operation of the System. All hardware will be bought by the Biometric Authority **directly** from its approved Hardware Suppliers (not through the Supplier). Proprietary Hardware will be supplied by Supplier with no additional cost.
- 4.4. The Supplier will supply Purchaser with training and support as stipulated in the Contract.

5. Term of Contract

- 5.1. The contract is for five (5) years from the initial date of the contract (hereinafter - **Original Contractual Term**).
- 5.2. The Authority will have an exclusive option to extend the contract for two additional terms of thirty (30) months each, for a total aggregate of ten (10) years (including the Original Contractual Term).

6. Quantities

- 6.1. Purchaser will purchase a Biometric Matching System comprising a database of at least three million (3,000,000) records, during the Original Contractual Term.
- 6.2. Respondents, please note: According to the Contract terms, the Supplier will be required to supply the Biometric Authority a fully functional Biometric Matching System comprising a database of three hundred thousand (300,000) records within thirty (30) days from commencement of the Agreement.

7. Preference for Israeli Products

Israeli manufacturers may receive preference by law, and in accordance with Mandatory Tenders Regulations (Preference for Israeli Products), 5755 – 1995, **provided that such preference does not contradict any international treaty to which the State of Israel is a signatory.**

8. Tender Process

- 8.1. The Tender will proceed in two main phases:
 - 8.1.1. **First phase:** Respondents and their respective proposed system will be evaluated for compliance with all the threshold criteria stipulated in the Tender. Proposals lacking compliance with the threshold criteria will be disqualified by the Tender Committee; as part of this phase, Respondents will present and demonstrate to the Authority the main points of their proposals.
 - 8.1.2. **Second phase:** Qualified Respondents will propose their best and final price. The Qualified Respondent that will offer the lowest price will be awarded the Tender.

9. Tender Schedule

- 9.1. Below is the schedule for the tender process:
 - 9.1.1. Tender publication date: July 21, 2011;
 - 9.1.2. Final registration date: August 4, 2011;
 - 9.1.3. Final date for submission of requests for clarifications: August 4, 2011;
 - 9.1.4. Final date for receipt of Authority's answers to Respondents' questions: August 11, 2011;
 - 9.1.5. Final date for submission of proposal: August 29, 2011 at 17:00.
- 9.2. The Tender Committee may modify or adjust the dates stipulated in the Tender or derived from the Tender, and may also extend the date for submission of proposals insofar as the final submission date specified, has not yet passed. Notice of such extensions shall be sent to all Respondents who have formally registered to the Tender by filling in and submitting the registration form as specified in section 22.

10. Tender Documents

- 10.1. The appendixes to the Tender constitute an integral part thereof.
- 10.2. The appendixes are as follows:
 - 10.2.1. Appendix A –Technical Requirements for the Biometric Matching System;
 - 10.2.1.1. Appendix A1 – General Information on the Israeli Biometric Database Project;
 - 10.2.2. Appendix B – Proposal Form;
 - 10.2.3. Appendix B1 – Price Proposal Form;
 - 10.2.4. Appendix C – Technical Specifications;
 - 10.2.5. Appendix D – The Standard Server;
 - 10.2.6. Appendix E – Affidavit as required by section 14.1 of the tender;
 - 10.2.7. Appendix F - Affidavit as required by section 14.2 of the tender;
 - 10.2.8. Appendix G – Industrial Cooperation Undertaking;

- 10.2.9. Appendix H – Contract;
 - 10.2.9.1. Schedule (1) of the contract – Timetable;
 - 10.2.9.2. Schedule (2) of the contract – Performance bond;
 - 10.2.9.3. Schedule (3) of the contract – Escrow Agreement;
 - 10.2.9.4. Schedule (4) of the contract – Supplier undertaking of confidentiality;
 - 10.2.9.5. Schedule (5) of the Contract – Supplier's representative undertaking of confidentiality;
- 10.2.10. Appendix I of the tender – List of Consultants;
- 10.2.11. Appendix J of the tender – Registration Form;
- 10.2.12. Appendix K - Supplier Registration Form (for the Accounting System);
- 10.2.13. [Appendix L – Key Subcontractor Form.](#)

B. Threshold conditions

11. General

- 11.1. Respondents in compliance – at the time of submission of the proposal – with the terms set forth in sections 12 - 18, are permitted to participate in the Tender.
- 11.2. Joint proposals by a number of corporations together shall not be accepted, however the use of subcontractors is allowed, provided that they are in compliance with the terms stipulated in section 17.
- 11.3. A respondent may not attribute data from another corporation to itself, except in cases where it has expressly been permitted.

12. Form of Incorporation of Respondent

- 12.1. As a prerequisite to participation in the Tender, Respondent must, at the time of submission of the proposal, be duly incorporated in a country that maintains diplomatic relations with the State of Israel.
 - 12.1.1. Entities residing or incorporated in a country which has no diplomatic relations with the State of Israel, or the control of

which is held by a resident or corporation of such a country, are not entitled to participate in the Tender.

12.1.2. It is hereto agreed that the Israeli Security Agency (ISA) shall be the sole determining authority deciding if the controlling interest of a Respondent derives from a country without diplomatic relations with Israel. A decision made by the ISA in this regard is considered final, and cannot be appealed.

12.2. Respondent must append to the Proposal Form:

12.2.1. Certification of registration of the corporation from the relevant registry, duly certified by apostille;

12.2.2. Attorney certification regarding the Respondent's authorized signatories;

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

13.1. As a precondition to participation in the Tender, Respondent must complete and submit the registration form, appended as Appendix J of the Tender, and receive an identification number, as stipulated in section 22.

13.2. Confirmation of registration must be attached to the Proposal Form.

14. Required Affidavits

14.1. As a precondition to participation in the Tender, Respondent must attach to the Proposal Form an affidavit certified by an attorney, in the format set forth in Appendix E of the Tender, attesting to:

14.1.1. Accuracy of the details in the proposal;

14.1.2. Use of original software only;

14.1.3. Affidavit stating that as of the date of submission of the proposal, Respondent is not aware of any restriction whatsoever that could prevent the award of the Tender to Respondent, nor of any condition preventing Respondent from satisfying any and all of the undertakings contemplated by the proposal, the Tender, the Contract, or by law;

14.1.4. Affidavit stating that Respondent is not aware of any held positions or matters (such as providing counsel to certain entities, membership on boards, ownership of assets and

businesses etc.), of the Respondent or its authorized signatories, that might place them in a situation of a possible conflict of interest while providing the system, its accompanying components or the services contemplated by this Tender.

- 14.1.5. Affidavit stating that Respondent has read, understands and consents to all the requirements of the Tender and its appendixes.
- 14.2. As a prerequisite to participation in the tender, Respondent must attach to the Proposal form an affidavit as set forth in Appendix F of the Tender, affirming that Respondent has title to, or has rights to use and distribute, all the rights (including intellectual property rights) to the tools, methods, and components to be used in the execution of the proposal, so that the herewithin shall be in effect at all times:
 - 14.2.1. No impediment or restriction of any kind whatsoever exists on Respondent, in respect to the use of the system, in accordance with the terms of the Tender;
 - 14.2.2. Respondent is able to meet all of its commitments pursuant to the Contract and the Proposal in their entirety, and in a timely manner;
 - 14.2.3. Entering into a Contract with Respondent (if awarded the Tender) according to the terms of the Contract does not and will not harm or in any manner infringe on third party rights whatsoever, including intellectual property of any kind (copyrights, patents, commercial secrets, models, trademarks or others);
 - 14.2.4. No impediment or restriction exists on the transfer of ownership in the system, its components or companion components, to the Purchaser or its representatives or from the Purchaser to third parties that will act on Purchaser's behalf.
- 14.3. The affidavit required in section 14.2 (Appendix F of the Tender) must list all the components of the proposed system, and whether the rights to each or any of them belong to a third party; and Respondent must

attach authorization from the owner of the rights granting Respondent the right to offer each of the aforementioned components as part of the proposal.

15. Industrial cooperation undertaking

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

15.2. This commitment will be valid only in any of the following events:

15.2.1. The price for three million (3,000,000) records (according to the price per record proposed by Respondent) is equal/higher than five million (5,000,000) USD.

15.2.2. During the agreement period the cumulative consideration paid by Purchaser shall reach the threshold set out in the Israeli Mandatory Tenders Regulations (Mandatory Industrial Cooperation) 5767 – 2007.

16. Experience in supplying biometric matching systems

16.1. **As a precondition to participation in the tender, the Respondent must have been the prime contractor or a Key Subcontractor in at least one (1) civil biometric matching project that complies with all of the following:**

16.1.1. The project enables duplicate enrollment detection, using fusion of two (2) or more different biometric technologies from the following:

16.1.1.1. Fingerprint;

16.1.1.2. Face recognition;

16.1.1.3. Iris.

16.1.2. The project has been in active production for at least six (6) months.

16.1.3. Duplicate enrolment checks are being executed on a continuous basis, based on one-to-many matching, throughout the project's production phase.

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16.1.4. The Biometric Database within the project consists, at the time of submission of the proposal, of at least three million (3,000,000) biometric records (live biometric data) that have been de-duplicated by the system.

16.2. Respondent must list all the following data on the Proposal Form:

16.2.1. Name of Country or entity to which the system was supplied, and the Civil application (e.g.: eID, ePP, Voter registration, etc.).

16.2.2. Total target number of biometric records, of the project; the actual quantity ordered from Respondent; and the actual approximate number of records in the biometric database as of the date of submission of the proposal (please note the estimated number of records de-duplicated by the system).

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

16.3. A certificate by the auditor of the Respondent must accompany the Proposal Form, attesting to the number of biometric records that have been supplied by the Respondent and to the number of records de-duplicated by the system, during the aforementioned period.

16.3.1. If Respondent's auditor may not issue such a certificate, Respondent must attach to its proposal:

16.3.1.1. A signed letter from its auditor, attesting to the reason it may not issue the certificate.

16.3.1.2. A letter from the customer attesting to the information required in section 16.3, signed by customer CFO or project manager.

16.4. A Respondent that is a Key Subcontractor will attach Appendix L to the Proposal Form filled and duly signed by the prime contractor's project manager; or by the customer project manager; or by its biometrics Project Manager.

16A. **Financial strength**

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מעוצב: כותרת 4, 4 Heading
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אחרי: 0 נק', מרווח בין שורות:
בודד, ללא תבליטים או מספור

מעוצב: גופן: מודגש, קו תחתון

מעוצב: תיקון 16ב, ללא, ללא
תבליטים או מספור

16A.1. As a precondition to participation in the Tender, Respondent must demonstrate an annual turnover of at least eight million (8,000,000) USD, based on audited Financial Statements for each of the years 2009 and 2010.

16A.2. The Respondent must attach to the Proposal Form a certificate by Respondent's auditor, attesting to Respondent's turnover in each of the foregoing years. This certificate must state that it is based on audited Financial Statements.

¶: נמחק

17. Subcontractors

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

17.1.1. Respondent must attach affidavits/proofs as required in the foregoing sections demonstrating that the subcontractor is in compliance with the above.

17.2. **As a precondition to participation in the tender**, Respondent must attach affidavits from the authorized signatories of all of the main subcontractors (if any) as detailed below:

17.2.1. Affidavit specified in section 14.2, mutatis mutandis;

17.2.2. The subcontractor must declare in an affidavit, that it will deliver the services and goods for which it is responsible directly to Purchaser, if so requested, and must declare that the agreement between Respondent and subcontractor does not contain any undertaking which would withhold or impair from the commitment of the subcontractor to deliver services or goods directly to the Purchaser, should the agreement between Purchaser and Respondent be revoked for any reason.

17.3. **As a precondition to participation in the tender**, the Respondent must attach to the Proposal Form a detailed list of all third party components (company name, product/component name, versions).

18. Technical requirements

- 18.1. A precondition to participation in the tender is that the proposed system will comply with all the requirements detailed in Appendix A of the Tender ("**Technical requirements**").
- 18.2. The Authority will invite Respondents to demonstrate and clarify the main points of their respective proposals to the Tender Committee or to an examination team on its behalf.
 - 18.2.1. Respondent's presentation must address the following issues:
 - 18.2.1.1. Brief Corporate overview – up to ten (10) minutes.
 - 18.2.1.2. Details of **specific relevant** respondent experience.
 - 18.2.1.3. Detailed case study of relevant project(s), including:
 - 18.2.1.3.1. role of respondent & it's suppliers/subcontractors;
 - 18.2.1.3.2. project timelines & current status;
 - 18.2.1.3.3. detailed solution components & architecture – H/W & S/W ;
 - 18.2.1.3.4. technical details;
 - 18.2.1.3.5. third party components & engines – proposed (and optional);
 - 18.2.1.3.6. proposed search algorithms and policies and alternative supported search algorithms and policies;
 - 18.2.1.3.7. project performance metrics & statistics (specified & achieved);
 - 18.2.1.3.8. accuracy parameters, including FAR, FRR, FPIR, FNIR, ROC graphs (logarithmic);
 - 18.2.1.3.9. performance information (response time for Identification and for

verification queries; peak search limitations/constraints);

18.2.1.4. Detailed overview of **proposed solution**, including relevant parameters as above (18.2.1.3).

18.2.1.5. Architecture performance considerations (e.g.: expected impact of reducing/increasing servers); up-scaling requirements and parameters (e.g.: required number of servers for various expected Database sizes – from 300,000 records to 5,000,000 records).

18.2.1.6. Any additional relevant information that may, in Respondent's opinion, assist Authority to fully understand & assess Respondent's proposal and presentation; and to optimize Purchaser's preparations for rollout.

18.2.1.7. [Screenshots of the proposed operator interface.](#)

18.2.1.8. [Details of the underlying matching engines.](#)

18.2.2. Authority will invite Respondents for aforementioned presentation seven (7) days in advance. Respondent will confirm its attendance in said presentation.

18.2.3. Respondent will send Authority its presentation via email at least four (4) days in advance.

18.2.4. Respondents that will not attend presentation will be disqualified.

18.2.5. The Authority reserves the right to disqualify any proposal if, subsequent to the demonstration, it finds that the proposal does not comply with the threshold conditions or that the proposal submitted in writing is not consistent with the demonstration findings.

18.2.6. Each Respondent invited by Authority will be given access for two (2) hours to a typical enrollment site, in which it will be able to participate in the execution of a time-limited series of

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אחרי: 0 נק', מרווח בין שורות:
בודד, ללא תבליטים או מספור

מעוצב: גופן: (ברירת מחדל)
Arial

biometric enrollment tests, as will be defined and executed by the Authority.

18.2.6.1. Respondent will not receive the outputs (images) of its specific enrollment session; but will receive samples prepared by the Authority under similar conditions (samples provided to all Respondents will be identical and will be sent to registrants to the Tender – see section 22.5).

C. Price Proposal

19. Price Quote

19.1. In order to create a common basis for comparison between hardware costs of the Respondents' configuration requirements, all Respondents must "normalize" their hardware and storage requirements to the Standard Server. Hardware that cannot be "normalized" will be added to the final price. If Respondent's hardware requirements cannot be normalized in any way, Respondent may choose one of the following (for each such hardware component):

נמחק: If Respondent's hardware requirements cannot be normalized in any way, Respondent should n

נמחק: as to such

19.1.1. Notify Tender Committee during clarification process (section 24) the COTS components in its proposal. Tender Committee shall notify Respondent (and Respondent alone) the price of said components according to Accountant General's price list (hereinafter – "AG Price"), this price will be valid even if actual price in the said price list will be changed. The AG Price will be written by Respondent in its price proposal for this component.

נמחק: Authority's suppliers. This price will be written by Respondent in its price offer for this component.

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19.1.1.1. If Authority is unable to quote an AG Price, Respondent will act in accordance with section 19.1.2 below.

19.1.2. Propose its price for such hardware component.

19.2. The respondent will list on the Price Proposal Form, Appendix B1 of the Tender:

19.2.1. The price offered for a single record;

19.2.2. The number of Standard Servers required for optimal operation of the proposed system comprising three million (3,000,000) records.

19.3. Prices for additional COTS hardware for system comprising three million (3,000,000) records. Respondent must list detailed information pertaining to each such component, including brand and model of such hardware and the required quantity; but prices should be specified per unit.

Tender Committee will allow Qualified Respondents to propose their best and final price ("B&F") before deciding on the identity of the Respondent to be awarded the Tender. Tender Committee will announce the time and place for submitting the B&F proposal, at least five (5) days in advance.

19.3.1. Respondents may decide not to submit a B&F proposal. In this case, the original proposal will be taken into consideration.

19.4. The price for a single record shall contain, in addition to the system itself, all of the services and components detailed below (at no additional cost):

19.4.1. All required software licenses for three (3) sites (test, production and DRP site).

19.4.2. Professional support by electronic mail or by telephone (per the Purchaser's request) throughout the duration of the agreement.

19.4.3. Complete professional training and support throughout the Setup Phase.

19.4.4. Software updates and upgrades throughout the duration of the agreement.

19.4.5. Bug fixes or workarounds throughout the duration of the agreement.

19.4.6. Documentation as set forth in the Contract.

19.4.7. All Proprietary hardware including maintenance, throughout the duration of the agreement (for the three (3) sites).

19.4.8. All the services listed in the Contract.

קמח: Additional required Hardware: ¶
<#>COTS Hardware – Respondent must list brand and model of such hardware and the required quantity. Respondent must quote the price that Authority will notify it, according to section 19.1.1. This price will be valid even if actual price will be changed by Authority's suppliers. If Respondent will quote a different price, Authority may disqualify proposal or amend the price to fit Authority's suppliers' price. ¶
<#>Proprietary Hardware – Respondent should not offer a price, but list the hardware itself. **This hardware will be supplied and will be maintained by Supplier throughout the duration of the contract, with no additional cost.** ¶

- 19.5. Notwithstanding the above, the price quote will not include Israeli VAT.
- 19.6. The price will be constant for the first three million (3,000,000) records. The price for each record beyond the first three million records will be the same price, but with **an additional discount of fifteen percent (15%)**.

נימוק: Linkage of prices shall be according to the contract

- 19.7. Prices shall not be linked in any way.
- 19.8. Respondents please note: according to the Contract, the Authority will pay the Supplier (only in cases stipulated in the Contract):
- 19.8.1. One thousand (1,000) USD for every day of technical or professional services (actual work days) which has specifically been required by Authority, commencing **after three (3) months from commencement of Production Period**.
- 19.8.2. One thousand (1,000) USD for each technical or professional services visit to Authority's facility, upon Authority's request, during the abovementioned period, as compensation for all travel and board expenses; If a visit will extend beyond five working (5) days due to Purchaser's specific request, Purchaser will pay Supplier additional two hundred (200) USD for each work day beyond the first five working (5) days of the visit.

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- 19.9. Please note that according to the Contract, Purchaser is not obliged in any way to acquire hardware from the Supplier and may purchase any and all hardware from other Suppliers. This will not derogate from Supplier's duty to supply, upon Purchaser's request, the hardware listed in its proposal, for the prices listed in its price proposal. Nevertheless, Supplier will not be obliged to supply Purchaser hardware components for which it has specified AG Prices.

20. Weighted price

- 20.1. The Weighted Price ("WP") proposed by the Respondent will be calculated according to the following formula:

$WP = 3,000,000 \times RP + SN \times 10,000 + AHW$ (whereby: "RP" - the proposed price for a single record, "SN" - the number of Standard Servers required for optimal operation of the system (based on a

Database size of 3,000,000 biometric records), "AHW" – cost of all additional COTS hardware components required by Supplier).

20.1.1. In case virtualization is needed the formula will be:

$$WP = 3,000,000 \times RP + SN \times 15,000 + AHW$$

20.2. The Weighted Price is meant for evaluation purpose only, and does not impose any obligation upon Purchaser to buy a certain amount of Standard Servers nor does it refrain the Purchaser in any way from buying more than three million (3,000,000) records.

21. **The winner of the Tender**

21.1. The Respondent submitting, after the B&F process, the lowest Weighted Price will be awarded the Tender.

21.2. If more than one Respondent will submit the lowest price quote, Tender Committee will have the sole discretion whether:

21.2.1. To conduct a new B&F process between the Respondents that submitted the lowest Weighted Price;

21.2.2. To draw a lot between the Respondents that submitted the lowest Weighted Price.

D. The Tender Process

22. **Reviewing Tender Documents, registration and assignment of an ID number**

22.1. The Tender documents are posted on the Website.

22.2. The Respondent must register for the Tender by completing and sending the registration form, Appendix J of the Tender, by electronic mail, to Mr. David Pe'er, at bioDB@mail.gov.il by the date listed in section 9.1.2.

22.2.1. A Respondent shall be considered as having registered only after receiving confirmation from the Authority of its registration and being assigned an identifying number that will serve to identify the Respondent throughout the stages of the Tender.

22.2.2. Receipt of confirmation from the Authority via electronic mail will be seen as evidence that e-mail communication works to the satisfaction of the Authority and the Respondent.

22.2.3. **Registration for the Tender is a precondition for participation in the Tender.**

22.3. Respondent is requested to submit its information on the registration form, and will be asked to provide names of two contact persons, each of whom is authorized to represent Respondent during the course of the Tender; and to provide an official address for delivery of notices by mail, telephone numbers, fax and an electronic mail address.

22.4. Note: the registration process does not impose any obligation on the registrants, including a commitment to participate in the Tender.

22.5. Authority will send registrants to the Tender, **samples of enrollment outputs** (the enrollments will be performed by Authority). All registrants will be sent identical samples.

23. **Cost of Participation in the Tender**

All costs of participation in the Tender will be borne by Respondent irrespective of the results of the Tender; participation in the Tender is deemed as a declaration by Respondent that Respondent is aware that all of the expenses incurred by its participation in the Tender are to be borne by Respondent, and that Respondent will not have any demand or claim for the reimbursement of monies or any other compensation for expenses.

24. **Clarifications**

24.1. From the date the Tender is published until the date listed in section 9.1.3, **any person** may contact the Authority only in writing (in English) by email to: bioDB@mail.gov.il and raise any matter for clarification or ask any question relating to the Tender or the resulting Contract; the Authority will confirm receipt via electronic mail.

24.1.1. The applicant should specify in its request its tender ID number, its name, address and a telephone contact number, an electronic mail address and an address for the response.

24.1.2. The request should be submitted using MS Word file in the following format:

No.	Tender or No. Of Appendix	No. Of section in the Tender / Appendix	The Question or Request

- 24.2. The Tender Committee does not commit to respond to all requests.
- 24.3. The Tender Committee does not commit to respond to a request received after the date listed in section 9.1.3.
- 24.4. The Tender Committee will respond to requests until the date listed in section 9.1.4.
- 24.5. Responses shall be made without revealing the name of the applicant.
- 24.6. The responses will be provided to all the applicants who registered for the Tender through the registration form, Appendix J of the Tender, and will be published on the Website. The responsibility to be informed of responses to the requests for clarification lies on the Respondents themselves; The Authority will be considered as having performed its duty regarding the publication of the responses to the requests for clarification, insofar as these responses are published on the website.
- 24.7. **The responses to the requests for clarification will be considered as an integral part of the Tender documents.**
- 24.8. The Tender Committee may modify the terms and conditions of the Tender prior to the date for submitting proposals. Notification of such change will be sent to any registrant who submitted the registration form and will be published on the website.

25. **Structure of the Proposal**

25.1. The proposal must be submitted through the Proposal Form and through the Technical Specifications attached as Appendix C to the Tender (hereinafter – **Proposal Forms**); the Respondent will provide complete and accurate information on the forms.

25.1.1. In case of any discrepancy between the version submitted by Respondent and the version published by the Purchaser on the website, the version published by the Purchaser will prevail.

25.2. Respondent will attach all of the documents required by the Proposal Forms and by the provisions of this Tender to the proposal, and will mark the section of the Proposal Forms to which it pertains.

25.3. Please note that the Tender Committee is not required to consider any documents, booklets, brochures, discs, presentations, etc. that were not expressly requested or that their submission was not expressly permitted.

25.4. Documents that Respondent is permitted to attach to the proposal which do not constitute part of the Proposal Forms will be submitted in a separate file or binder marked in accordance with the relevant section on the Proposal Forms.

25.5. The Proposal Forms are integral parts of the Tender documents, and supplement the permanent sections of the Tender. Nonetheless, in the event of a contradiction between them and the body of the Tender, the body of the Tender shall prevail.

25.6. The proposal shall contain:

25.6.1. **One (1) original copy of the proposal, without the Price Proposal** - containing the Proposal Form (Appendix B) and the Technical Specifications (Appendix C), each in a separate sealed envelope.

25.6.1.1. This copy will be marked "Original Copy".

25.6.1.2. Every page in the original copy of the Proposal Forms must be stamped and signed by the Respondent.

25.6.2. **Three (3) identical copies of the proposal (including the various attendant documents and appendices), without the Price Proposal** - containing the Proposal Form (Appendix B) and the Technical Specifications (Appendix C), each in a separate sealed envelope.

25.6.2.1. The first page of every copy must be stamped with an original stamp (not a photocopy) of the Respondent with an original signature (not a photocopy).

25.6.3. **One (1) copy of the proposal for competitors review, without the Price Proposal** – containing the Proposal Form (Appendix B), the Technical Specifications (Appendix C) **without the information that the Respondent wishes to keep confidential**, as detailed in section 32.3 of the Tender.

25.6.3.1. This copy will be marked: "Copy for Competitors Review".

25.6.4. **Three (3) compact discs (CD/DVD)** - each of the CDs shall contain a computerized version of the proposal (the Proposal Form (Appendix B) and the Technical Specifications (Appendix C), **without the Price Proposal Form**) in a **searchable PDF format**.

25.6.4.1. The Respondent must verify that the contents of the disc are identical to the printed proposal.

25.6.5. **One (1) sealed envelope containing the Price Proposal** - containing Appendix B1 of the Tender.

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

25.8. The envelope containing the Price Proposal will be opened only after the Tender Committee completes an evaluation of the participant's compliance with the threshold conditions. A proposal that does not meet the threshold conditions will not have its price quote envelope opened.

26. **Language of the Proposal**

26.1. The proposal must be submitted in English.

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

27. Submission of the Proposal

27.1. The proposal must be submitted in a signed and sealed envelope with no external identification, following the clarification process, no later than **the date and time listed in section 9.1.5**, at the tender box located on the entrance floor of the Population, Immigration and Border Authority, at 6 Mesilat Yesharim Street, Jerusalem.

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

27.2. The envelope should state "Public Tender No. 118/2011 for the Supply of a Biometric Matching System".

27.3. The submission of the proposal by the date and time indicated in section 27.1 above is the sole responsibility of the Respondent. **A late proposal will not be examined by the Tender Committee.**

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

27.5. The submission of a signed proposal constitutes conclusive evidence that the Respondent has read all of the provisions of the Tender documents, understood them and has given its unconditional consent to them.

28. Documents to Attach to the Proposal

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

28.1.1. Certification of registration of the corporation;

28.1.2. Confirmation of registration for the Tender;

28.1.3. Affidavit according to section 14.1 – Appendix E of the Tender;

28.1.4. Affidavit according to section 14.2 – Appendix F of the Tender;

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- 28.1.5. Authorizations by the holders of the copyrights regarding the use of their rights in the framework of the proposal (please attach to affidavit, Appendix F of the Tender);
- 28.1.6. Certification by an accountant according to section 16.3; OR a signed letter from Respondent auditor, attesting to the reason it may not issue the certificate and a letter from the customer attesting to the information required in section 16.3, signed by customer CFO or project manager.
- 28.1.7. A Respondent that is a Key Subcontractor will attach Appendix L.
- 28.1.8. Documentation regarding subcontractors according to section 17.
- 28.1.9. List of third party components.
- 28.1.10. Supplier Registration Form (for the Accounting System) – Appendix K.
- 28.1.11. Documents stipulated in Appendix A (to be attached to Appendix C):
 - 28.1.11.1. Disaster Recovery Plan.
 - 28.1.11.2. Configuration documents as stipulated in section 11.3 of Appendix A.

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29. **Multiple Proposals**

- 29.1. A Respondent may submit no more than two (2) proposals, provided that each proposal is submitted as a complete and separate proposal and offers a different technical solution.
- 29.2. Respondent that submits two (2) proposals should mark each proposal as a whole, as well as each of its parts, in a way that will allow to distinguish between the two (2) proposals clearly and easily.

30. **Validity of the Proposal**

- 30.1. The proposal will be valid for six (6) months from the date of its submission.
- 30.2. Notwithstanding the above, proposals that are not chosen will remain valid for at least 60 days after the conclusion of the tender process in

the event that the winner of the Tender withdraws its proposal or breaches the Contract. Under these circumstances the Tender Committee may declare the next respondent in line as the winner of the Tender.

- 30.3. Should the contractual agreement between the Authority and the winner of the tender end prematurely, for any reason at all (such as breach of the agreement or its revocation, revocation of the contract for any other reason) the Authority may choose the next Respondent in line, provided that at such time the Respondent has met the preconditions for participation in the Tender and that the Respondent has given its consent to enter into a contract with the Authority.

31. Negotiations

- 31.1. Authority has the sole discretion to conduct negotiations with all Qualified Respondents. Authority will conduct such negotiations with all Respondents, if no more than three (3) Respondents will comply with all threshold conditions.
- 31.2. The Respondents will be invited to negotiations separately.
- 31.3. In the negotiations, the Authority may:
 - 31.3.1. Inform each Respondent of its position relative to other proposals;
 - 31.3.2. Indicate to the Respondent the technical and financial items in which improvements are suggested;
 - 31.3.3. Request improvements in technology, in the proposed solution components and in financial parameters.
- 31.4. At the conclusion of the negotiations, the Respondents will receive an opportunity to submit a revised proposal within five (5) days.
- 31.5. The Revised Proposals will be evaluated according to relevant Tender sections.
 - 31.5.1. If a Respondent elects to make no modifications to its original proposal, the original proposal will be taken into consideration.
- 31.6. If the Authority will conduct negotiations and will allow Respondents to submit a revised proposal, it will not conduct B&F process according to section 1.1.

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

- 32.1. The Tender Committee shall allow a Respondent who loses the Tender to review the minutes of the Tender Committee and the documents of the winning proposal in accordance with Regulation 21(e) of the Mandatory Tenders Regulations, 5753 –1993, Freedom of information Act, 5758 - 1998 and in accordance with all relevant laws.
- 32.2. A respondent who believes that sections of its proposal contain trade or business secrets (hereinafter – “**Classified Sections**”), and should not be open for viewing by the other Respondents following the completion of the Tender, should explicitly make note of the classified sections on the Proposal Forms, and should clearly and unequivocally mark the classified sections in its proposal.
- 32.3. Respondent shall submit one copy of its proposal without the classified sections and mark this copy as a “copy for competitors review”.
- 32.4. A Respondent failing to mark sections on the proposal form as classified or failing to submit a copy for competitor review, will be deemed as having consented to delivery of its entire proposal to be read by other Respondents should said Respondent be awarded the tender.
- 32.5. The designation of certain sections of the proposal as classified or their deletion from the copy for competitor review will be considered an admission that these classified sections in the proposal are also classified in the proposals of other Respondents, and therefore Respondent waives in advance all rights to view these sections in the competitors proposals as well.
- 32.6. Please note that sole discretion with regard to the right of review of the Respondents belongs to the Tender Committee alone, which will act in this matter in accordance with the Tender laws, the relative laws and with standards governing an administrative authority.
- 32.7. Should the Tender Committee decide to permit the review of the sections of the winning proposal that the Respondent designated as classified, notification of this permission will be sent to the winning Respondent that will be permitted to submit an objection to this decision within a reasonable period of time under such circumstances.

32.8. The Tender Committee will notify the Respondent a denial of said objection, if so denied, prior to the delivery of the material to the applicant wishing to review it.

32.9. Without derogating from the above, be advised that Respondent's name and address and the proposed price do not constitute trade or business secrets. A respondent who chooses to participate in this tender thus consents to the terms of this section.

33. Exercise of the Contract

33.1. As a condition for executing the Contract and signing the Agreement, the Winning Respondent will present the Authority with all of the documentation, commitments and permits detailed in the contract within 14 days from notification of the award.

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

33.2.1. Non-disclosure declarations, in the forms specified in Schedules (4) and (5) of the contract.

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

E. General

34. Governing law

34.1. This Tender is governed by the laws of the State of Israel, including the Mandatory Tenders Law, 5752 – 1992 and Mandatory Tenders Regulations, 5753 – 1993.

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

35. Interpretation

35.1. Words and expressions that are not defined in section 3, shall be ascribed their meanings as found in the Mandatory Tenders Law, 5752 – 1992 or in the Interpretation Ordinance or the Interpretation Law, 5741 – 1981, unless another interpretation is mandated from the context or text.

- 35.2. A revocation or a determination regarding the revocation of terms of the Tender shall not invalidate the Tender or any other term therein.
- 35.3. The Contract attached to this Tender, with all of its appendices constitutes an integral part of the Tender documents. The Tender and the Contract attached to it (with all of its appendices) are deemed one document with complementing parts.
 - 35.3.1. In the event of a contradiction between the language of the Tender and the language in the Contract, an effort shall be made to resolve the contradiction.
 - 35.3.2. In circumstances where it is not possible to resolve the difference between the language of the Tender and the language of the Contract the language of the Contract shall prevail.
 - 35.3.3. All references made in the plural – shall include the singular and vice versa.
 - 35.3.4. The headings of the sections in the Tender and the appendices are provided for convenience only and shall not be used in the interpretation thereof.

36. Index, Currency and Time

- 36.1. A sum of money or value of an asset quoted by Respondent, shall be quoted in **US Dollars**, and written both in its numerical and written form.
 - 36.1.1. In the event of a contradiction between the sum stated in numerical form and the sum as written the latter shall prevail.
 - 36.1.2. If the type of currency is not specified, the presumption will be that the currency is proposed in Dollars.
- 36.2. **Dates and hours are all local time, Jerusalem, Israel.**

37. Website

- 37.1. All information and components relating to the tender and all notifications regarding the tender will be published on the Website.
- 37.2. It is the responsibility of the Respondents to continuously update themselves with regard to the progress of the Tender from this site.

37.3. Inasmuch as possible and without taking responsibility for doing so, the Tender Committee will send notifications of new information published on the Website by electronic mail. **Respondents should take the proper actions to include the e-mail address bioDB@mail.gov.il in their "safe senders" list.**

38. Affidavits

Affidavits will be approved by notaries or by attorneys that are authorized to approve such documents according to the laws of the state in which the respondent is incorporated.

39. Proprietary rights to Documents

The Tender Documents belong to the Authority, and may not be used for any other purpose other than for the submission of proposals.

40. Tender Committee Consultants

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

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

41. Request for Additional Information and Clarifications

41.1. The Tender Committee may request written or oral clarifications from any Respondent regarding its proposal, in whole or in part. Such a request shall not be construed as permission for a respondent to change its proposal or to grant such Respondent an unfair advantage over the other Respondents. The clarifications will serve as an integral part of the proposal.

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

Committee may, for reasons to be listed, invite a Respondent to appear before it, in order to verify details of the proposal or for other details that it requires in order to make a decision.

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

42. Nonresponsive Proposal

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

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

43. A Tactical or Loss Based Proposal

A Tactical proposal or a proposal submitted with a lack of good faith or a proposal that under analysis proves to be a proposal at a loss or a proposal that is not based on a clear and solid economic foundation will be disqualified.

44. A Conditional or Limited Proposal

44.1. A Respondent may not limit its proposal or condition it in a manner that is not consistent with the requirements of the Tender.

44.2. A Respondent who believes that the requirements of the Tender should be conditioned or disqualified may raise such comments or reservations as part of the clarification process; the Tender Committee will consider the request and will respond in accordance with the provisions of section 24 above.

45. **Revocation and Rejection**

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

46. **Jurisdiction**

Local jurisdiction with regard to this Tender belongs to the competent court in Jerusalem, Israel.

Appendix A: Technical Requirements

1. General

As a prerequisite to participation in the Tender, the proposed system must demonstrate compliance with the requirements, properties, terms and specifications listed in this appendix.

2. Preventing duplicate enrollments

The system must prevent duplicate enrollments, providing a very high probability for detection of any such events or attempts.

3. Field proven solution

3.1. The proposed system is required to be based on a field-proven system of **similar characteristics** and **similar to it in implementation**.

3.1.1. Using fusion of biometrics that are different than fingerprints and face biometrics will not be considered as different characteristics insomuch as the fusion is between two of the following biometrics –fingerprints, face and iris.

3.2. Any module, function or component that is specifically developed for this proposal must be listed and described in detail.

4. Independent Maintenance by Purchaser

4.1. The Law restricts access to the system, due to its sensitivity and classification. Therefore, following three (3) months from commencement of Production Phase, the system will be required to be **independently and solely maintained by the Biometric Authority**. Maintenance of **proprietary hardware** provided by Supplier as part of its proposed system will be done according to procedures that will be defined by Purchaser, in accordance with ISA guidelines.

4.2. Nevertheless, the Supplier will provide Purchaser with updates and upgrades as well as bug fixes and workarounds (and any required documentation) for the system as necessary, for independent execution by Purchaser. Please see the Contract for further details.

4.3. Independent maintenance of the system by the Biometric Authority, with no access allowed for the Supplier, may introduce certain risks. The proposed system must reduce such risks to the minimum level possible.

Respondent is requested to describe its mechanisms for minimizing such risks.

- 4.4. The system will provide, in any case of malfunctioning of the System or any part thereof (including system crashes), a log with detailed information pertaining to the cause of the malfunction, and whether such malfunction was caused by the application software OR by the infrastructure (Hardware components or OS/Database software); the information provided should isolate as best as possible the specific component which is suspected to have caused the malfunction).

5. **Minimum Dependence on Supplier**

- 5.1. The system must allow minimum dependence of the Purchaser on Supplier. The following are mandatory for compliance with this condition:

- 5.1.1. The system must allow the purchaser to manage all raw data independently and seamlessly.

- 5.1.2. The Purchaser will have access to all administrative functions of the Biometric Database, including use of system level and user passwords, all pre-generated by Purchaser.

- 5.1.3. The system must allow simple integration and use of new algorithms and algorithms from different vendors.

- 5.1.4. The hardware and infrastructure will be based on the Standard Server.

- 5.1.4.1. Respondent will clearly define in detail all hardware and infrastructure components that are required for the implementation of the proposed system (detailed configuration & diagrams, including OS requirements and DB requirements.

- 5.1.4.2. Any COTS hardware components that are required, in addition to the Standard Servers will be added to the price. Proprietary hardware will be included in the price per-record.

- 5.1.5. The system must allow replacement of hardware components with comparable hardware components from common

vendors, with minimal impact on the remaining hardware components.

5.1.6. Minimum use of proprietary components.

5.1.6.1. Respondent is required to specify any proprietary component proposed. Please note that according to the contract, if a proprietary format is used, Supplier will provide a tool to convert data from the raw data to the proprietary format, as well as complete and detailed documentation.

5.1.7. The system software licensing must not rely on hardware items (such as dongles).

5.1.8. The system must not use built in hardware identifiers in any way for licensing (such as an HSM serial number or a MAC address).

6. **Fusion**

6.1. When fingerprints are available, face recognition is used as a supplemental biometric. The score from the fingerprint subsystem must be fused with the score from the face recognition algorithm, based on proven & tested, high quality fusion mechanisms - thus ensuring optimal results.

6.2. Use of face recognition is required as the main biometric, for those cases where there are no fingerprints or where fingerprints are of poor or insufficient quality (e.g. failure to enroll). The proposed system will provide, for each enrolled record, detailed (electronic) reports of the scores of each of the biometrics, as well as the fused score.

6.2.1. Respondent should assume 0.5% of the records of adult population will contain only face information. Records of children under twelve (12) will not contain fingerprints unless specifically requested by the parents."

6.2.2. Respondent will describe in Appendix C in detail all the implications of a scenario of 0.25% and 1% of records containing only face information.

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6.2.3. In any case final accuracy must comply with Tender requirements. To avoid any doubt, section 16 of the Contract and all other Contract provisions shall remain valid in case that more than 0.5% of the records will contain only face information.

7. Search Procedures

7.1. Search procedures of the system must be relatively easily adaptable to new search algorithms and policies (it is anticipated that search algorithms and policies will be updated during the lifespan of the system).

7.1.1. Respondent must describe in detail the proposed search methodology and alternative search strategies (workflow, stages, etc.).

7.1.2. For each proposed search methodology, Respondent will detail **risks as well as implications on manual processes, and labor - intensive procedures.**

7.2. The system will allow Purchaser to modify thresholds without the need to recompile the system.

7.2.1. Respondent must describe its mechanisms for modifying thresholds, as well as any additional tools provided (e.g. if proposed system provides recommended guidelines for modifying thresholds; if it comprises a learning engine, etc.).

8. System lifespan

The lifespan of the system must be at least ten (10) years.

9. Performance

9.1. Enrollments will be done normally in one (1) shift (09:00-16:30), with a possibility of two (2) shifts (09:00-23:30) and 6 workdays in peak seasons. Searches are expected to be usually performed within standard working hours (08:00-17:00). In any case, **all results from the Biometric Matching System must be given before the start of the next working day.**

- 9.1.1. Respondent will explain in detail the implications of shortened response times if these will be required in the future (for providing results within 1 hour; and for 10 minutes).
- 9.1.2. Respondent must list in Appendix C all manual or human interventions that may be required for backup or other related procedures.
- 9.2. Daily batch will not exceed ten thousand (10,000) records.
- 9.3. There will be extreme cases when daily batches will accumulate over a period of time. In such cases the backlog will be handled by registering up to five batches (5) each working day.
- 9.4. **The total amount of False Duplicate alerts of the system will not exceed one percent (1%) of the daily queries.**

10. Scalability

- 10.1. The system must be able to handle a capacity of up to seven (7) million records and to support up to 10,000 searches per day, providing approval / rejection results within up to twelve (12) hours from arrival of batch.
- 10.2. Respondents must describe in detail all implications of transition from three million (3,000,000) records to five million (5,000,000) records and to seven million (7,000,000) records.

נימחק: <#>Respondent is required to detail the implications of scaling the system above 3,000,000 and up to 7,000,000 records.¶

11. Architecture

- 11.1. Four (4) fully functional systems (with complete environment as required) will be implemented (note that Purchaser's facilities may be at different sites):
 - 11.1.1. Test environment (at Purchaser's facilities) – including simulative databases (comprising at least two thousand (2,000) records), provided by Supplier; Purchaser may add simulative records of its own.
 - 11.1.1.1. The simulative database provided for test environment must be in an open format (e.g. not encrypted) to enable Purchaser to execute its own independent benchmark using the same data.
 - 11.1.2. Production environment (at Purchaser's facilities).

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11.1.3. DRP environment (at Purchaser's facilities) – cold backup of the production environment.

11.1.4. Integration environment - this is the sole responsibility of respondent, and is outside the scope of the Tender.

11.2. The requested system will include at least the following components:

11.2.1. Database

11.2.1.1. The system will be based on a standard, off-the-shelf SQL (ISO) Database.

11.2.1.2. Respondent must provide detailed information on its supported and recommended Database system(s), including detailed Database configuration requirements corresponding to the different (incremental) Biometric Database sizes.

11.2.2. Storage

Purchaser will provide the following file servers: **SAN with 5TB net space**, made from **20X 400GB SAS SSD** in **at least RAID5 configuration**, using **iSCSI over fiber interconnection**.

11.2.3. Control and supervision

Respondent must list in its proposal:

11.2.3.1. The System's Monitoring components.

11.2.3.2. Disaster Recovery Plan, components and procedures.

11.2.3.2.1. Respondent must attach to the Technical Specifications, Appendix C of the Tender, its "Disaster Recovery Plan".

11.2.3.3. Respondent's methodology and processes for control and supervision.

11.3. Respondent must attach to the Technical Specifications, Appendix C of the Tender, a detailed hardware and software configuration document. The configuration document must include all system components –

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hardware and software – both schematically as well as detailed component list for three million (3,000,000) for five million (5,000,000) and for seven million (7,000,000) records.

12. **Backup**

12.1. The system must include a built-in mechanism for backup. This mechanism will create an **encrypted online backup** that can be **exported without degrading the response time of the system.**

13. **Data collection**

13.1. The following data must be logged and retrievable via simple queries (from start of production):

13.1.1. Total and daily number of queries submitted and their source(s); during the pilot phase, the total number of queries should be identical to the number of enrollments performed by Population Authority (since the Law establishes that the Population Authority will be the only entity able to access the Database during that phase, except **simulations** of access by other entities).

13.1.2. Total and daily number of duplicate enrollment simulations - this data will present the number of times in which an external entity (not the Population Authority or Biometric Authority) will simulate access to the Biometric Database.

13.1.3. Number of enrolment records received for each identity.

13.1.4. Number of searches that were done using only face recognition - this data will reflect the number of cases in which it was not possible to use fingerprints.

13.1.5. Number of duplicate enrolments that were detected.

13.1.6. Response time for a single record.

13.1.7. Response time for daily batches, according to the size of each batch.

13.1.8. Response time for verification request (for future use) – average and maximum.

13.1.9. Total and daily number of Verification requests (for future use).

14. **Reports**

The system will continuously log all data necessary and will generate (or will allow easily generating) at least the following reports (please specify):

- 14.1. Periodic report – based on all the categories of the data collected according to section 13. This report will be issued bi-weekly.
- 14.2. Performance reports (continuous & weekly):
 - 14.2.1. Matching-System Performance
 - 14.2.2. Response-time reports for all identification & verification queries.
- 14.3. Accuracy reports (continuous & daily; accumulative weekly):
 - 14.3.1. Detailed reports of the scores of **each** of the biometrics, as well as the **fused** score (Respondent will detail fusion scoring mechanism);
 - 14.3.2. ROC (Receiver Operational Characteristics) graphs; these will serve as a basis for continuous evaluation for achieving optimization of the system parameters and improvement of search policies.

15. **Monitoring system**

- 15.1. The proposed system must include a **software-only** monitoring system to detect illegal queries, intrusion attempts or leakage of information. The monitoring system will alert, in such cases, system administrators.
 - 15.1.1. Respondent must describe in detail the monitoring and alert system.
- 15.2. Purchaser reserves the right to use external and independent monitoring systems.

16. **Queries and services**

- 16.1. The system must provide only and all the queries and services specifically allowed in the Law.
- 16.2. The services will be as follows:
 - 16.2.1. Verification – invoked by workers of the Population Authority, as part of the process of issuing Identification Documents.

- 16.2.2. Verification or Identification invoked by the Police - for Verification or Identification of persons or corpses. This will be allowed only in cases stipulated by Law.
 - 16.2.3. Police - for investigation of suspicion of receiving, or an attempt to receive, an Identification Document - while providing false information to the Population Authority (this will be done based on a complaint filed by the Population Authority).
 - 16.2.4. Transfer of information from the Database to Israeli security authorities in accordance with regulation to be determined.
- 16.3. The following is a basic set of queries to be provided as part of the proposed system.
- 16.3.1. De-duplication query
Input: biometric data and claimed identity;
Output: one of the following: A new record; an existing record belongs to someone else; an existing record belongs to claimed identity.
 - 16.3.2. Identification query
Input: biometric data
This query answers the question "To whom does this biometric data point?".
Output: one of the following: existing record – matching record of owner of the biometric data; matching record does not exist in Database;
 - 16.3.3. Verification query
Input: biometric data and claimed identity;
Output: yes or no.
 - 16.3.4. Biometrics query
Input: identity;
Output: biometric data.

This query will be available only in extreme cases and under special authorizations. It will be used when raw biometric data should be transferred to the police, according to clause 18 of the law.

- 16.3.5. Respondents may propose additional/modified queries as they find relevant and important. These queries might be implemented in the System insofar as they do not contradict the Law.

17. Availability

- 17.1. The system's availability must be high, exceeding ninety nine point ninety five (99.95%) uptime ;
- 17.2. Downtime cannot exceed 4 hours per event; and no more than four (4) events per 12 preceding months; including (if necessary) downtime due to maintenance procedures.

18. Information security

- 18.1. The system must operate under a very strict security policy, aimed at prevention of abuse and leakage of information. All security policies and procedures will comply with specifications of NISA.
 - 18.1.1. Respondent is requested to detail all proposed built-in security policies and mechanisms.
- 18.2. The database must be encrypted. Any encryption that is implemented by the Respondent must be fully described in the proposal.
 - 18.2.1. Please note that according to the Contract, all encryption mechanisms must be approved by Purchaser.
 - 18.2.2. Respondent must clearly describe and specify its proposed encryption mechanisms.
- 18.3. **Sensitive operations of the system will require dual control.**
 - 18.3.1. Respondent must describe the mechanism for enforcing this dual control.

19. Service level

Any and all responses from the System must be received within twelve (12) hours from request, and in no case may a backlog be transferred to the next working day.

20. **Future stages**

20.1. The Authority is considering future adoption of Professor Adi Shamir's proposal to **cluster the database** into groups of several hundred records each, thus ensuring a significantly higher level of privacy for the biometric data (see section 15 of Appendix A1 for further details). This concept will not be implemented in the initial phase of implementation, but may be implemented at a later stage, subject to required approvals. Nevertheless, the system should be able to seamlessly adopt this methodology in the future, with minimal changes and impact, if and when required.

20.2. Please note that according to the Contract, the mechanism, the process, the procedures and all relevant detailed documentation (& tests on test system) for **clustering the database as above, if and when approved, will be done by Supplier with no additional payment**. Actual execution of such modifications on the Production system will be done by Purchaser. Proposed procedures must ensure seamless execution of such conversion on Purchaser's production System.

20.2.1. Respondent will detail its proposed mechanism and procedures.

20.3. Respondent must confirm its compliance with this request, and must describe in detail any reservations or restrictions this may impose.

21. **Miscellaneous**

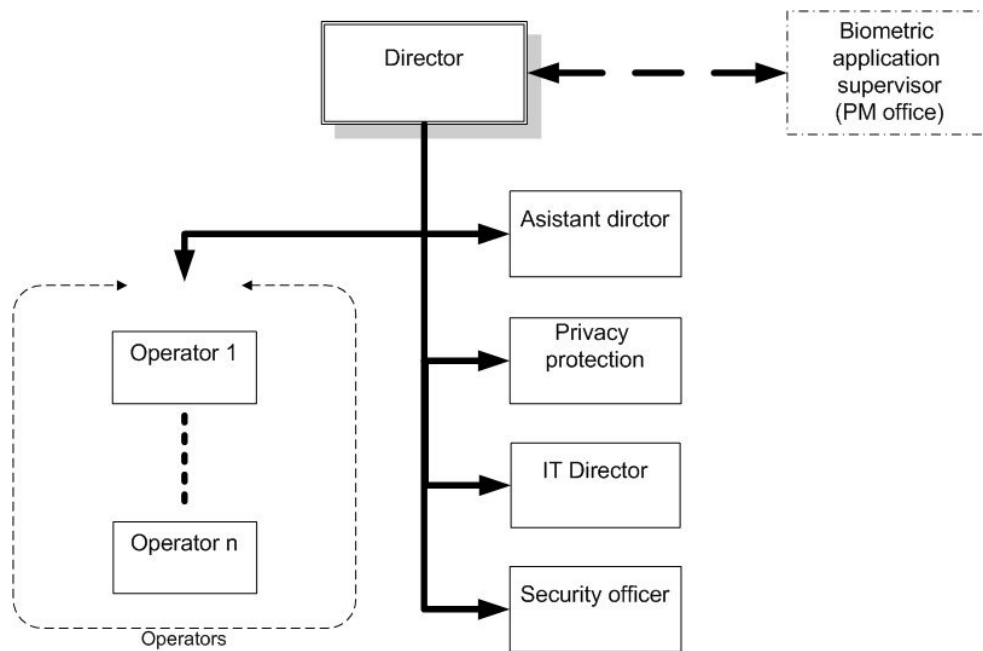
21.1. Respondent will identify and will clearly describe any additional or specific risks it envisions in the implementation of its proposed system; and will describe risk management procedures it intends to implement to minimize risks.

21.2. As a precondition for participation in the Tender, Respondent must state in the Technical specifications, Appendix C of the Tender, that the information presented in Appendix A1 is acceptable, and that the proposed system is consistent with all the information detailed therein.

Appendix A1: General Information on the Israeli Biometric Database Project

1. Organization

The Biometric Authority is responsible for operating the system. This Authority is organized as follows:



2. System outline

Enrollment records arrive at the Biometric Database from the Population Authority's "Aviv" Population Registry IT system, as **xml files** that are sent in parallel to the two issuance centers. The biometric database executes the search for duplicates and informs the Issuance Centers if the **batch** is approved or if a duplicate was found.

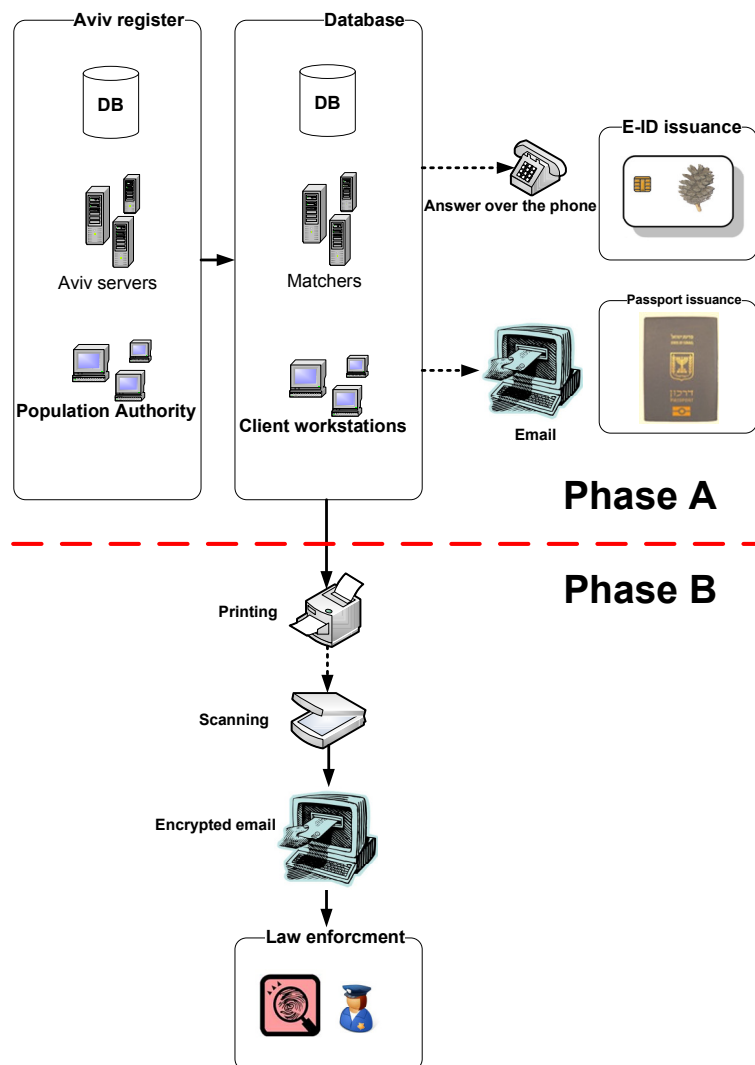
Answers are given to the Issuance Centers by the Biometric Authority over the phone and are sent via email, from a system that is **physically separated from the internal, classified network**.

Only after a positive response (indicating that ALL records in the batch are either new records; or existing records but with no suspicion of duplicate enrollments/records) has been received from the Biometric DataBase for the

entire batch, will the biometric data be transferred to the production floor and released for issuing.

Any indication of a suspicion of duplicate enrolment, will be transferred per **individual record (not per batch)** – in a way that ensures that the issuing of the document will be halted.

When raw data must be provided to law enforcement agencies (i.e. according to article 18 of the law) it will be printed, scanned and delivered using encrypted email. **Online connections to the database are prohibited under all circumstances.**

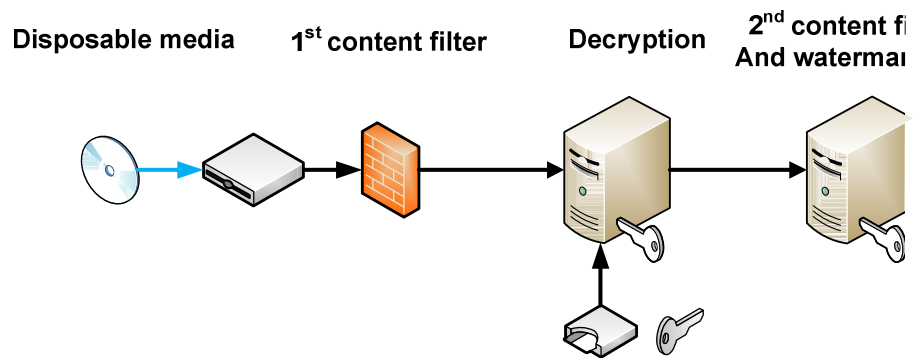


3. Storage of personal data

Keeping any personal data (except for the necessary biometric data) is strictly prohibited according to the law.

4. WAN connections

No WAN connections are permitted and data will be transferred into the database through an "air gap", using disposable storage media. Data will also be checked using content filtering (provided & executed by the Purchaser). This filtering will be done once for the encrypted form and again for the decrypted form. Media will be securely disposed of/destroyed immediately following the successful completion of the data transfer.



Note: the watermarking depicted in the schematic diagram above, does not transform the record in a way that may impact the matching process

5. User interface

Only authorized personnel of the Biometric Authority will have access to the system. Access will be solely via their desktop PC's, which are disconnected from any other network, as described herein.

6. Inputs

Data from the enrollment system is a ZIP file with enrollment records from the various Population Authority offices. Each enrollment record is an XML.

The biometric data (face image and fingerprints) is encrypted.

The decryption mechanism will be provided by the Authority and the full details of the encryption protocol will not be disclosed to the Supplier.

7. Database capacity, record size & expected search rate

The Biometric Database size will not exceed 7 million records throughout the project lifetime. Typical record size will be approximately 100KB. The **peak expected number of searches per day** will not exceed 10,000.

8. Information security

The data that is kept in the system is considered highly sensitive and should be protected in a very strict manner. Officially this database is classified "Top secret" and is supervised by the National Information Security Authority.

Please note that once a hardware item has been connected to the classified network it cannot be returned and extracting data from it, as well as from other components, is strictly forbidden.

9. Interfaces

Interface	Sender->Receiver		Frequency	Description	Phase
Receive enrollment records	Aviv	DB	Daily/half-daily	Data from enrollment is transferred through the "air gap", using a logical/physical one-way channel	A
e-ID cards	DB	e-ID cards	For each batch of enrollment records and when a duplicate is found	Batch approval for production	A
Passports	DB	Passports	For each group of enrollment records and when a duplicate is found	Batch approval for production	A
Queries from Police	Police	DB	As needed	Police access according to law	B
Answers to Police	DB	Police	As needed	Police access according to law	B

Transfer of biometric data to Police	DB	Police	As needed	Clause 18 of the law. Only printed data is transferred with no on-line connection.	A
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10. Consumables

Disposable media will be used for moving data through the "air gap". This will be accomplished by using writeable DVD's, which will be shredded after successful reading. They will be provided by the Purchaser.

11. Operating systems

All client workstations will use **Windows7** and all servers will use **Windows Server 2008 R2 64 Bit**.

12. Client workstations

Client workstations will be standard, off-the-shelf PC's. They will be hardened according to common procedures, as defined in the NISA cookbook for the relevant security classification. **This hardening will be done by the Authority.**

The workstations will be installed with office applications (e.g. Microsoft Word & Excel) as well as a credential manager for smartcard and biometric login. Additional device drivers will also be installed, for a smartcard reader and a fingerprint reader.

No wireless connection is allowed including RF or Bluetooth for keyboards and mice.

13. LAN/WAN

Client workstations will be connected to the application servers using a LAN connection (GBE), using SSL.

The site where the system will be installed is connected to the Population Authority IT system through a wideband connection with a bandwidth of 4 Mbits/sec. This connection will be used to transfer the daily enrollment records; the total size of data transferred may be up to 1Gbyte each day (up to 10K transfer transactions of approximately 100Kbyte each). Those records will be transferred to the system's network through **a one-way "air gap"**.

There will be absolutely no connection between the inner, classified network and any public network. The inner network will be physically separated from any other network as well, including the Ministry's organizational network.

14. Enrollment quality

14.1. Error rates strongly depend on the quality of enrollment. The enrollment systems that have been installed and implemented throughout the country, **check the quality of face images according to a "relaxed" subset of the ISO 19794-5 (as detailed herein). Fingerprints are checked using the NIST-NBIS scale and if the NBIS score is not "1" or "2" the fingerprint is rejected.**

14.2. Face images are acquired by a specially designed **biometric enrolment system** (approximately 300 such systems have been deployed throughout the country). Acquired Face image compliance with the relaxed subset of ICAO 19794-5 requirements is checked on-the-fly by the enrolment systems.

14.3. Face image characteristics

Face images will be assessed during enrollment according to the following table:

	Importance	Description
Head position	High	Looking forward
Size	High	General size, head position, eye position, pixels between eyes
Picture characteristics	High	Sharpness, color, resolution, red eyes
Lighting	High	Shadows, hot spots, exposure
Background	Medium	Uniform, shadows, additional objects
Eyes	Medium	Eyes open, side looking, obstruction of eyes
Expression	Low	Open mouth, smile

15. Clustered database

- 15.1. The Idea proposed by Prof. Adi Shamir from the Weizmann Institute of Science is based on clustering of the database to protect it against misuse and mission creep. Biometric data is kept in random clusters, in a way that breaks the normal 1:1 correlation between biometrics and identity. This clustering makes the database very difficult to query for a single person's identity, while searching for duplicate enrollments is still possible and such events will be detected with a very high probability.
- 15.2. Matching a biometric record to a single identity requires a tedious and visible process that is achievable for the police (with much effort) but extremely hard for everyone else. The Clustering process is irreversible and random.
- 15.3. In the clustered database the biometric data will point to many identities instead of one single identity. The optimal size of each cluster is ~700 members (for the population size of the State of Israel). The actual clusters into which data is saved are chosen by a simple statistical algorithm and are random. The statistical algorithm itself is extremely simple and only needs an input of a high-quality random number for each new record that is saved.
- 15.4. This algorithm ensures that new records will still be distributed into random clusters but those clusters will be filled quickly to avoid having clusters with very few records inside them, something that defeats the purpose of clustering.

Appendix B: Proposal Form

1. General

- 1.1. The form must be filled out completely and legibly and be submitted as part of the proposal to the tender.
- 1.2. Every section containing a blank space for insertion in the proposal form indicates the extent of the detail expected from Respondent.
- 1.3. Respondents may add additional tables or rows.
- 1.4. Reference made to a signature requirement on the Proposal Form refers to the signature of the authorized signatory of Respondent.
- 1.5. All references on the Proposal Form to information about a contact person must contain such person's name, title and personal contact information (address, telephone, fax and email).
- 1.6. The requirements for appending documents which appear in this appendix are provided for the convenience of Respondents only, the list of mandatory requirements are as set forth in the tender itself.

2. Respondent information

Name of Respondent	Address of Respondent	
Telephone	Fax	Email
Details of Contact Person for Respondent		
Name of Contact	Title	Email
Telephone	Fax	Mobile

3. Incorporation (section 12 of the Tender)

3.1. Incorporation details of Respondent (corporation / association / partnership / other) _____

3.2. Identifying number (in the relevant register) _____

3.3. Country of incorporation of Respondent _____

3.4. Authorized signatories of Respondent and offices held with Respondent:

No.	Name	I.D number	Position in company	Sample Signature
3.4.1				
3.4.2				
3.4.3				
3.4.4				

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

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

4. Date of Registration for the Tender (section13 of the tender)

4.1. Respondent registered for the Tender on the date of _____.

4.2. Respondent's identification number is _____.

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

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

5. Attachment of Affidavits

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

Requisite Document	Attached (mark <input checked="" type="checkbox"/>)
5.1.1. Affidavit according to section 14.1 (Appendix E of the tender)	<input type="checkbox"/>
5.1.2. Affidavit according to section 14.2 (Appendix F of the Tender)	<input type="checkbox"/>

6. Experience in supplying biometric matching systems (section 16 of the tender)

Please fill in the requested details for each reference project (note that only one project is required).

- 6.1. Name of Country or entity to which the system was supplied: _____
- 6.1.1. Name and contacts of customer's representative:

- 6.2. Civil application of the System: _____
- 6.3. Is the Respondent the prime contractor in the project? (yes / no)

- 6.4. Is the Respondent a Key Subcontractor in the project? (yes / no)
[if question is "yes", please answer 6.4.1].

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב:גופן: (ברירת מחדל)
נטוי, Arial

מעוצב:טאבים: לא ב 6 ס"מ

מעוצב:גופן: (ברירת מחדל)
Arial, מודגש, נטוי

מעוצב:גופן: (ברירת מחדל)
נטוי, Arial

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב

6.4.1. Respondent's role within the Project [please elaborate and clearly note, in each of the stages, whether Respondent has been fully responsible for all technical, technological, tuning and optimization, and final performance (including accuracy) issues related to the software of a biometric matching system during the stage]:

- 6.4.1.1. During _____ architecture _____ design:

- 6.4.1.2. During _____ customization:

- 6.4.1.3. During _____ installation:

- 6.4.1.4. During implementation and tuning:

- 6.4.1.5. During optimization including transition to ongoing production of the final system design:

- 6.4.1.6. During _____ Production:

מעוצב:שמאל

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב:גופן:

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב

6.4.1.7. Project management conducted by Respondent:

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב: כותרת 3, 3 Heading
Char, כניסה: לפני: 4 ס"מ, אל
תשמור עם הבא

6.5. Does the project enable duplicate enrollment detection, using fusion of two (2) or more different biometric technologies? (yes / no) _____

6.5.1. Please list biometric technologies used in fusion:

6.5.1.1. _____

6.5.1.2. _____

6.5.1.3. _____

6.6. The project has been in active production from _____ to _____.

6.7. Are duplicate enrolment checks executed on a continuous basis, based on one-to-many matching, throughout the project's production phase? (yes / no) _____

6.8. As of date of submission of the proposal, approximate number of biometric records (live biometric data) in the Biometric Database of the project is _____; approximate number of biometric records (live biometric data) in the Biometric Database of the project that have been de-duplicated by the system is _____.

6.9. Total target number of biometric records, of the project: _____

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

Required Document	Attached (mark <input checked="" type="checkbox"/>)
6.10.1. Detailed certification by Respondent's auditor as required by section 16.3.	<input type="checkbox"/>
6.10.2. <u>A signed letter from Respondent's auditor, attesting to the reason it may not issue the certificate (if item listed in 6.10.1 is not attached).</u>	

מעוצב: כותרת 3, 3 Heading
Char, כניסה: לפני: 0.81 ס"מ,
תלויה: 1.5 ס"מ, אל תשמור עם
הבא, אל תשמור שורות יחד,
טאבים: 2.31 ס"מ, כרטיסית
רשימה

מעוצב: משמאל לימין, כניסה:
לפני: 2.22 ס"מ, תלויה: 1.7
ס"מ, ללא תבליטים או מספור

<p>6.10.3. <u>A letter from the customer attesting to the information required in section 16.3, signed by customer CFO or project manager (if item listed in 6.10.1 is not attached).</u></p>	
<p>6.10.4. <u>Appendix L (for a Respondent that is a Key Subcontractor)</u></p>	

מעוצב:כניסה: לפני: 2.22
 ס"מ, תלויה: 1.7 ס"מ, ללא
 תבליטים או מספור

7. Financial strength (section 16A of the tender)

7.1. Respondent's annual turnover (in USD):

7.1.1. 2009: _____

7.1.2. 2010: _____

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

<u>Required Document</u>	<u>Attached (mark <input checked="" type="checkbox"/>)</u>
7.2.1. <u>A certification by Respondent's auditor attesting _____ to Respondent's turnover in each of the years 2009 and 2010.</u>	<input type="checkbox"/>

מעוצב:כניסה: לפני: 2.3 ס"מ, טאבים: 4 ס"מ, כרטיסיית רשימה + לא ב 3.92 ס"מ

מעוצב:משמאל לימין, כניסה: לפני: 1 ס"מ, ללא תבליטים או מספור

8. Subcontractors (section 17 of the tender)

(Please fill out this section **for each subcontractor**)

- 8.1. Name of subcontractor: _____
- 8.2. Method of incorporation of subcontractor (corporation / association / partnership / other)_____
- 8.3. Identifying number (in the relevant register) _____
- 8.4. Country of incorporation of the subcontractor _____
- 8.5. Authorized signatories of the subcontractor and offices held with subcontractor:

	Name	I.D. number	Position in company	Sample signature
12.5.1				
12.5.2				

12.5.3				
12.5.4				

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

Required Document	Attached (mark <input checked="" type="checkbox"/>)
8.6.1. Certificate of registration of the company.	<input type="checkbox"/>
8.6.2. Notarized / attorney certified affidavit regarding subcontractor's authorized signatories.	<input type="checkbox"/>
8.6.3. Affidavit according to section 17.2.2 of the tender.	<input type="checkbox"/>
8.6.4. List of third party components.	<input type="checkbox"/>

9. List of Documents to accompany proposal

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

Document	Section of the tender	Attached / not attached (mark ✓ if attached)
Certificate of registration of company.	12	
Certificate by attorney / notary regarding Respondent's authorized signatories.	12	
Confirmation of registration for the Tender.	13	
Affidavit – Appendix E of the tender.	14.1	
Affidavit – Appendix F of the tender.	14.2	
Authorization from holders of copyrights allowing use of their rights for the proposal (please attach to affidavit, Appendix F of the tender).	14.2, 14.3	
Certification by accountant regarding number of biometric records that have been supplied by the Respondent	16.3	
Documents regarding subcontractors.	17.1	
Subcontractor's affidavit according	17.2.2	

Document	Section of the tender	Attached / not attached (mark ✓ if attached)
to section 17.2.2 of the Tender.		
List of third party components.	17.3	
Supplier Registration Form (for Accounting System) – Appendix K.		

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

9.1.1. Price Proposal Form;

9.1.2. Technical specifications (with accompanying documents).

Respondent / Corporation: _____

Authorized Signatories: _____

Signature and stamp: _____

Date: _____

Appendix B -1 – Price Proposal Form

The Price Proposal Form must be submitted in a **separate sealed envelope**, marked "Price Proposal".

1. Respondent details

- 1.1. Name of Respondent: _____.
- 1.2. Respondent registration number: _____.

2. Price quote

- 2.1. The price for a single record _____ USD (in words: _____ USD).
- 2.2. Number of Standard Servers required for optimal operation of the proposed system comprising three million (3,000,000) records: _____ (in words: _____). All Standard Servers are required to be _____ (with / without) virtualization.
- 2.3. COTS Hardware:

Hardware (brand and model)	Required Quantity	Price per unit in USD

נימחק: prices

נימחק: , in addition to the products themselves,

- 2.4. The record price above includes, all of the services and components set forth in section 19.4 of the Tender and in the contract, Appendix H of the Tender.

Respondent / Corporation: _____

Authorized Signatories: _____

Signature and stamp:

Date:

Appendix C: Technical Specifications

Name of Respondent: _____

Respondent registration number: _____

1. General

- 1.1. The form must be filled completely and legibly and submitted as part of the proposal to the tender.
- 1.2. Every section containing a blank space for insertion in the Technical Specifications Form indicates the extent of the detail expected from Respondent. If there is no blank space, Respondent should answer the questions in a way that will allow professionals to understand if and how does the System comply with technical requirements.
- 1.3. Respondents may add additional tables or rows.
- 1.4. Deleted.
- 1.5. Respondent may add other indications or suggestions it might have concerning Appendix A in the relevant sections. Respondent is not allowed to condition or limit requirements of Appendix A.

הערה: Reference made to a signature requirement on the Technical Specifications Form refers to the signature of the authorized signatory of Respondent

2. Preventing duplicate enrollments (section 2 of Appendix A)

- 2.1. How does the system prevent duplicate enrollments?
- 2.2. What is the level of probability for detection of duplicate enrollment events or attempts? How is that level achieved?

3. Field proven solution (section 3 of Appendix A)

- 3.1. Describe in detail the field-proven system on which the proposed system is based.
- 3.2. What are the similar characteristics of the two systems? What are the differences between them?
- 3.3. Are both systems similar in implementation? Please describe the similarities and differences in detail.
- 3.4. List and describe in detail any module, function or component that is specifically developed for this proposal.

4. Independent Maintenance by Purchaser (section 4 of Appendix A)

- 4.1. How does proposed system reduce the risks inherent with independent maintenance of the system by the Biometric Authority (with no access allowed for the Supplier), to the minimum level possible?
- 4.2. Describe Respondent's mechanisms for minimizing the risks inherent with independent maintenance of the system by the Biometric Authority (with no access allowed for the Supplier).
- 4.3. Will the System provide, in any case of malfunctioning of the System or any part thereof (including system crashes), a log with detailed information pertaining to the cause of the malfunction, and whether such malfunction was caused by the application software OR by the infrastructure (Hardware components or OS/Database software)? Describe the mechanism.

5. **Minimum Dependence on Supplier** (section 5 of Appendix A)

- 5.1. Does the system allow the purchaser to manage all raw data independently and seamlessly?
- 5.2. Will The Purchaser have access to all administrative functions of the Biometric Database, including use of system level and user passwords (all pre-generated by Purchaser)?
- 5.3. Describe the processes of integration and use of new algorithms and algorithms from different vendors.
- 5.4. Are the hardware and infrastructure based on the Standard Server?
- 5.5. Define in detail all hardware and infrastructure components that are required for the implementation of the proposed system (detailed configuration & diagrams, including OS requirements and DB requirements).
- 5.6. Does the system allow replacement of hardware components with comparable hardware components from common vendors? What is the impact of such change on the remaining hardware components?
- 5.7. Specify any proprietary component proposed, and its specific use in the proposed system.
- 5.8. Does the system software licensing rely on hardware items (such as dongles)?

מעוצב: כותרת 2, 2 Heading
Char

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5.9. Does the system rely on hardware identifiers in any way for licensing (such as an HSM serial number or a MAC address)?

6. **Fusion** (section 6 of Appendix A)

6.1. Detail and explain fusion process and mechanisms between fingerprints and face recognition.

6.2. Does proposed system provide for each enrolled record, detailed (electronic) reports of the scores of each of the biometrics, as well as the fused score?

מעוצב: כותרת 2, 2 Heading, Char

6.3. Are Respondent's calculations based on the assumption that 0.5% of the records of adult population will contain only face information and that records of children under twelve (12) will not contain fingerprints (unless specifically requested by the parents)?

6.4. Please describe in detail all the implications of a scenario of 0.25% and 1% of records containing only face information.

מעוצב: משמאל לימין, כניסה: לפני: 2.3 ס"מ, ללא תבליטים או מספור

7. **Search Procedures** (section 7 of Appendix A)

7.1. Describe in detail the proposed search methodology and alternative search strategies (workflow, stages, etc.).

7.1.1. For each proposed search methodology, please detail **risks as well as implications on manual processes, and labor - intensive procedures**. Please provide information on typical estimates of time required for manual handling of alert events.

7.2. Does the system allow Purchaser to modify thresholds without the need to recompile the system?

7.3. Describe proposed mechanisms for modifying thresholds, as well as any additional tools provided (e.g. if proposed system provides recommended guidelines for modifying thresholds; if it comprises a learning engine, etc.).

8. **System lifespan** (section 8 of Appendix A)

The lifespan of the system is at least _____ years.

9. **Performance** (section 9 of Appendix A)

- 9.1. Does the system comply with performance requirements set forth in section 9 of Appendix A?
- 9.2. Explain in detail the implications of shortened response times if these will be required in the future (for providing results within 1 hour; and for 10 minutes).
- 9.3. Describe system performance and explain how the requirement that **total amount of False Duplicate alerts of the system will not exceed one percent (1%) of the daily queries** will be achieved.
- 9.4. Please list all manual or human interventions that may be required for backup or other related procedures.

10. Scalability (section 10 of Appendix A)

- 10.1. Is proposed System able to handle a capacity of up to seven (7) million records and to support up to 10,000 searches per day, providing approval / rejection results within up to twelve (12) hours from arrival of batch?
- 10.2. Describe in detail the implications of transition from three million (3,000,000) records to five million (5,000,000) records and to seven million (7,000,000) records.

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נמחק: scaling the system above 3,000,000 and up to 7,000,000 records.

11. Architecture (section 11 of Appendix A)

- 11.1. Describe proposed system architecture.
- 11.2. Is simulative database provided for test environment in an open format (e.g. not encrypted) to enable Purchaser to execute its own independent benchmark using the same data?
- 11.3. What is the SQL (ISO) Database on which the system is based (including version, components, etc.)?
- 11.4. Provide detailed information on Respondent's supported and recommended Database system(s), including detailed Database configuration requirements corresponding to the different (incremental) Biometric Database sizes.
- 11.5. List and explain in detail all of the following:
 - 11.5.1. The System's Monitoring components.
 - 11.5.2. Disaster Recovery Plan, components and procedures.

מעוצב: כותרת 2, 2 Heading Char

4 Heading,4 כותרת: מעוצב: Char

11.5.2.1. Is Respondent's "Disaster Recovery Plan" attached? (yes / no)

מעוצב: גופן: מודגש, קו תחתון

11.5.3. Respondent's methodology and processes for control and supervision.

2 Heading,2 כותרת: מעוצב: Char

11.6. Is configuration document as stipulated in section 11.3 of Appendix A attached? –

11.6.1. For three million (3,000,000) records? (yes / no)

11.6.2. For five million (5,000,000) records? (yes / no)

11.6.3. For seven million (7,000,000) records? (yes / no)

מעוצב: כניסה: לפני: 3.92 ס"מ, ללא תבליטים או מספור

12. Backup (section 12 of Appendix A)

12.1. Describe in detail System's mechanism for backup.

12.2. Explain if and how does the mechanism create an **encrypted online backup** that can be **exported without degrading the response time of the system**.

13. Data collection (section 13 of Appendix A)

Will the data listed in section 13 of Appendix A be logged and retrievable via simple queries (from start of production)? Please detail any additional data that the proposed system will log.

14. Reports (section 14 of Appendix A)

14.1. Will the system continuously log all data necessary and will generate (or will allow easily generating) at least the reports listed in section 14 of Appendix A?

14.2. Please specify if there are other proposed reports.

15. Monitoring system (section 15 of Appendix A)

15.1. Does the proposed system include a **software-only** monitoring system to detect illegal queries, intrusion attempts or leakage of information?

15.2. Describe in detail the monitoring and alert system.

16. Queries and services (section 16 of Appendix A)

16.1. Will the system provide only and all the queries and services specifically allowed in the Law (listed in section 16 of Appendix A).

16.2. Please propose additional/modified queries Respondent finds relevant and important.

17. Availability (section 17 of Appendix A)

17.1. What is the system's availability?

17.2. List all downtimes required for maintenance reasons.

17.3. How long will each such downtime event last? _____.

18. Information security (section 18 of Appendix A)

18.1. Detail all proposed built-in security policies and mechanisms.

18.2. Describe in detail any encryption that is implemented by the Respondent.

18.3. Describe and specify the proposed encryption mechanisms proposed.

18.4. Describe the mechanism for enforcing this dual control mechanism.

19. Service level (section 19 of Appendix A)

Will any and all responses from the System be received within twelve (12) hours from request, and in any case no later than the start of the next working day?

20. Future stages (section 20 of Appendix A)

20.1. Does Respondent confirm its compliance with the future plan to cluster the database?

20.2. Describe in detail any reservations or restrictions that such clustering of the database may impose.

20.3. Detail Respondent's proposed mechanism and procedures for seamless execution of conversion of Purchaser's production System to clustered database.

21. Miscellaneous (section 21 of Appendix A)

- 21.1. Please clearly describe any additional or specific risks Respondent envisions in the implementation of its proposed system.
- 21.2. Describe risk management procedures Respondent intends to implement to minimize risks.
- 21.3. The information presented in Appendix A1 is fully acceptable to Respondent (yes / no): _____.
- 21.4. The proposed system is consistent with all the information detailed in Appendixes A and A1 (yes / no): _____.

Respondent / Corporation: _____

Authorized Signatories: _____

Signature and stamp: _____

Date: _____

Appendix D: The Standard Server

The servers that will be installed are the following:

Model: HP BL460C G7 blade server;

RAM: 144GB;

Hard disk: 2X 146GB SAS 15,000 rpm in RAID1;

Expansions: PCI card expansion unit (i.e. if needed for HSM);

Cost: 10,000 USD each

The final configuration (including clustering and replication) will be based on multiple servers from the above-mentioned model according to the architecture proposed by Respondent .

Using physical servers is strongly preferred over virtualization. In case virtualization is needed the **added cost of each virtualized server will be considered as 5,000 USD per single processor.** Please note that the above-mentioned server contains two processors.

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

1. I _____ the undersigned, bearer of identity / passport number _____, am making this affidavit with respect to Tender No. 118/2011 for the Supply of a Biometric Matching System.
2. I am submitting this affidavit on behalf of _____ corporation, whose identifying number is _____ (hereinafter – the Respondent). The corporation was incorporated in _____.
3. I work for Respondent in the position of _____.
4. I am an authorized signatory for the Respondent and my signature when given, binds the Respondent.
5. Additional authorized signatories in the Respondent are (name, identity number):
 - 5.1. _____ .
 - 5.2. _____ .
 - 5.3. _____ .
6. I have read the tender documents, understood them and unconditionally accept the terms of the tender.
7. I hereby declare that I am not aware of any held positions or matters (such as providing counsel to certain entities, membership on boards, ownership of assets and businesses etc.), of the Respondent or its authorized signatories, that might place them in a situation of a possible conflict of interest while providing the products, their accompanying components or the services contemplated by this tender.
8. As of the submission of this proposal I am not aware of any impediment (including conflict of interest), which would prevent Respondent from being awarded the tender or satisfying any of its undertakings pursuant to the proposal or the tender or the appended contract or by law.
9. I declare that the Respondent only uses only original licensed software.
10. I declare that all of the data set forth in the proposal was checked by me and is true and accurate.

11. This is my name, my signature, and the content of this affidavit is true.

Signature

Certification

I hereby certify that on the date of _____, Mr./Ms. _____ bearer of identity number _____, appeared before me _____, Advocate, and after having been cautioned to state the truth or otherwise be subject to penalties prescribed by law if he/she fails to do so, affirmed the accuracy of his/her affidavit above and signed upon it in my presence.

_____, Advocate

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

1. I _____ the undersigned, bearer of identity number _____, am making this affidavit in respect to Tender No. 118/2011 for the Supply of a Biometric Matching System.
2. I am submitting this affidavit on behalf of _____ corporation, whose identifying number is _____ (hereinafter – the Respondent). The corporation was incorporated in _____.
3. I work for Respondent in the position of _____.
4. I am an authorized signatory for the Respondent and my signature when given binds the Respondent.
5. The Respondent is the owner or licensed to use, distribute or sell, all the rights (including intellectual property rights) to the tools, methods and components that will be used to execute this tender (if the Respondent is awarded the tender), in such manner that the following shall apply at all times:
 - 5.1. There is no impediment or restriction, of any kind, on the Respondent from using, distributing or selling the products or the accompanying components, in accordance with the tender Documents;
 - 5.2. Respondent can satisfy all of its obligations under the agreement and the proposal, in full and in a timely manner;
 - 5.3. Respondent may enter into an agreement (if awarded the tender) pursuant to the terms of the contract (Appendix I of the tender) without harming or infringing in any manner on the rights of any third party, including intellectual property rights of any kind (copyrights, patents, trade secrets, designs, trademarks etc.);
 - 5.4. No impediment or restriction exists on the transfer of title in the product, its components or attendant parts, to the Purchaser or its representative or from Purchaser to third parties that will act on Purchaser's behalf.
6. Below are the components of the proposed product (including all of the components required under the terms of the agreement) the rights to which belong to a third party:
 - 6.1. _____.

6.2. _____.

6.3. _____.

6.4. _____.

6.5. _____.

7. Attached to this declaration are certifications from the owners of the rights to the aforementioned components, permitting Respondent to offer said components as part of its proposal.

8. This is my name, my signature and the content of my affidavit is true.

Signature

Certification

I hereby certify that on the date of _____ Mr./Ms. _____ bearer of identity number _____, appeared before me _____, Advocate, and after having been cautioned to state the truth or otherwise be subject to penalties prescribed by law if he/she fails to do so, affirmed the accuracy of his/her affidavit above and signed upon it in my presence.

_____, Advocate

Appendix G: Industrial Cooperation Undertaking

- **Note:** In this Appendix the Respondent shall be referred to as the "Supplier".

Foreign Supplier's Industrial Cooperation Undertaking

As per the Mandatory Tenders Regulations

(Mandatory Industrial Cooperation), 5767-2007 (hereinafter the "Regulations")

We, (name of Supplier) _____

having offices at (full address) _____

commit to the State of Israel, that in the event of winning the tender for the supply of a Biometric Matching System (hereinafter referred to as the "Tender"), we shall put into practice Industrial Cooperation in Israel, in accordance with the outlined below:

1. We are aware of the fact that this undertaking is provided pursuant to the Regulations and that the terms used herein shall have the same meanings as ascribed to them in the Regulations..
2. The extent of Industrial Cooperation that shall be carried out by us, shall equal at least 35% (for suppliers of non-excluded products from GPA member states, the extent of industrial cooperation is 20%), of the value of the contract or of the transaction, that will be concluded with us, in the event of winning this tender in whole or in part. With respect to the foregoing, the value of the contract or transaction shall also include the following: (i) the exercise of any option related thereto; (ii) any follow-on procurement in excess of USD 500,000 that is made within a period of five years from the date of the original contract and (iii) any acquisition of spare parts, training activities, maintenance, technical assistance, guarantees etc. that will be procured from us, in connection with the main services and/or products acquired from us, within the framework of the Tender.
3. We are aware that our undertaking for Industrial Cooperation may be fulfilled by using any of the following means: local subcontracting, investments, Know-How transfer, R&D, acquisition of Israeli products, work or services, or by any other

means if approved in advance by the Industrial Cooperation Authority ("ICA"), but excluding those listed in clause 10 below.

4. We are aware that if we win the Tender, the ICA will be in charge on behalf of the Government of Israel with the appraisal, classification and monitoring of the hereby attached fulfillment program.
5. Our undertaking for Industrial Cooperation shall be carried out within 3 years as of the effective date of the contract/transaction the subject of the tender. The ICA may upon request, approve an extended period of time for the fulfillment of our undertaking, considering the nature of Industrial Cooperation to be implemented, or the complexity of the contract/transaction. In any case, Our undertaking for Industrial Cooperation remains in force until completed.
6. The records of ICA pertaining to the execution of our undertaking shall be *prima facie* evidence in any matter relevant to the fulfillment of this requirement in the tender.
7. We are aware that in order to value the extent of Industrial Cooperation activities carried out by us pursuant to this undertaking, the following rules shall apply:
 - 7.1. New or incremental procurement by the Supplier of Israeli products or services, compared to the Supplier's average extent of procurements carried out in the last three years, or the award of orders for local subcontracting, **comprising a level of Israeli added value of at least 35%**, shall result in Industrial Cooperation credits in a value of 100% of the business deal nominal price.
 - 7.2. In some instances, subject to the rules to be published and on a case by case basis, the ICA will be entitled to grant credits exceeding 100% of the business deal price, by virtue of Industrial Cooperation activities of a unique nature, or activities implemented with preferred industry sectors and regions.
8. Furthermore we are aware that:
 - 8.1. Any grant that was provided by the Government of Israel as part of a plan for an investment, acquisition or funding of a R&D project, shall not be taken into account for the purpose of calculating our Industrial Cooperation Expenditures such as: agent commissions, personnel expenses, office expenses and other expenses that were incurred for

the purpose of promoting our sales in Israel, shall not be recognized as Industrial Cooperation activities.

- 8.2. Purchase of shares of Israeli companies to which the Securities Law 5728-1968 applies, to the extent in which the purchaser is not deemed to be “*a party with an interest*” as defined in the said Law, will not be considered as Industrial Cooperation.
 - 8.3. Any activity of ours with the Israeli industry that was carried out prior to being awarded with the Buyer’s contract shall not be eligible for crediting purposes.
 - 8.4. Any Industrial Cooperation activity to be carried out by us which is not part of our fulfillment program will be subject to ICA’s prior approval.
 - 8.5. Any activity of ours with the Israeli industry that incurs Offset/Industrial Cooperation obligations on the Israeli industry shall not be eligible for crediting purposes.
9. Aimed at demonstrating our serious intentions regarding the fulfillment of our undertaking, we commit to take the following steps:
- 9.1. To furnish along with the submission of our bid or price proposal (the latest between the two), a fulfillment program for our undertaking, if we win the above mentioned tender. We will use Attachment A to specify the program including as many details as possible of subjects for Industrial Cooperation with the Israeli industry, implementation mile stones and time frame of completion, having regard to activities as outlined in clause 3 above.
 - 9.2. Part of that program will be the appointment and written notification of a competent person to act as our Industrial Cooperation Coordinator (ICC), who will be responsible on our behalf for the fulfillment of this undertaking, for managing the activities in this regard and serve as our contact with the ICA, with the Israeli industry and other business entities. The appointee’s name and position in our organization and all other complementary information will be fully outlined in the program submitted.

In case the ICC is replaced at any time in the future, we are committed to notify the ICA within 72 hours from the time the replacement took place.

- 9.3. To take all conventional measures, including the use of consultation services, conducting a professional survey in Israel, visiting business entities in Israel and vice versa, or any other means aimed at the examination of business feasibilities in Israel.
- 9.4. Once every year (on January 31) and until our undertaking is fully satisfied, we shall furnish the ICA with written - in a format to be set by the ICA - reports, having regard to the fulfillment of our undertaking for Industrial Cooperation, which will include the following data:
 - 9.4.1. Full identifying details of orders for Israeli products, work and services, local Subcontracts, investments or any other Industrial Cooperation activities carried out during the reporting period, subject to the rules set forth in clause 9 above.
 - 9.4.2. Any additional information that might be required by the ICA, regarding activities we've carried out aimed at the fulfillment of our undertaking.
10. Non compliance with any of the requirements outlined in clause 9 will be deemed as a violation of our undertaking.
11. All communications on our behalf having regard to the fulfillment of this undertaking will be sent to the ICA at the following address:

Industrial Cooperation Authority
Ministry of Industry Trade and Labor
86 Menachem Begin Rd.
P.O. Box 36049
Tel Aviv 67138, Israel.
Tel: (972) 3 5652703 Fax: (972) 3 5634177

and additionally, for U.S. and Canadian companies:

The U.S. Director - ICA
Government of Israel Economic Mission
800 Second Ave. 17th Floor,

New York, NY 10017, U.S.A.

Tel: (212) 499 5741, Fax: (212) 499 5745

Signature of an authorized officer on behalf of the Supplier: _____

If the bid is submitted by an importer and/or a leasing services provider, this document should be signed by an authorized officer on behalf of the foreign manufacturer of the goods or services to be supplied pursuant to the a.m. tender.

Name: _____ Title: _____

Phone _____ Fax _____

No.: _____ No: _____

Signature: _____ Date: _____

Email: _____ Web _____

Site: _____

Attachment A

to the

Industrial Cooperation Undertaking

Related to Tender/RFP No. 118/2011

Issued by Dated
.....

Pursuant to clause 11(a) of the a.m. document, we (full company name), hereby submit our Fulfillment Program, that will serve as our initial draft, aimed at the satisfaction of our a.m. undertaking, as follows:

1. In accordance with clause 3 of our undertaking, our fulfillment activities will be in the fields of one or more of the following Industrial Cooperation Categories:

- | | |
|---|--|
| <input type="checkbox"/> Local Subcontracting | <input type="checkbox"/> R&D Orders |
| <input type="checkbox"/> Investments | <input type="checkbox"/> Acquisition of Israeli Products, Work or Serv |
| <input type="checkbox"/> Know-How transfer | <input type="checkbox"/> Other |

2. Anticipated / Approximate dates of the following mile stones implementation:

- a. Conducting an Israeli industry survey:
- b. Projects and partners selection:
- c. Starting date of IC activities implementation:
- d. Full program accomplishment:

3. Following is our prospective Fulfillment Program.

Industrial Cooperation Category	Transaction Description	Estimated Timeframe		Names of Israeli Entities Involved	Transaction Value	Israeli en Contact P info.
		Start Date	Due Date			
Total Fulfillment Value						

(Additional records, should be registered in the same table format).

Name: _____ Title: _____

Signature: _____ Date: _____

Note: For further clarifications or assistance in filling out this document, please contact the corresponding ICA representative, to be found at: www.ica.gov.il

Appendix H of the tender - Contract

Entered into in Jerusalem, Israel, on the ____ of _____, 2011

- Between -

Government of Israel, by the Biometric Database Management Authority, through its authorized signatories, Director General of the Biometric Database Management Authority and Comptroller of the Ministry of the Interior;

(Hereinafter: "Government")

As one party;

-And-

Whose address is _____

Registered in the _____ Register

Corporate no. _____

By the authorized signatories _____

(Hereinafter: "Supplier")

As the second party;

Whereas: The State of Israel has decided to issue biometric travel documents, through the Population, Immigration and Border Authority (the "Authority"); and

Whereas: The Authority has published a tender for the supply of a biometric matching system, specifying the criteria to be satisfied by the Supplier and by the matching system proposed by Supplier; and

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

Whereas: Supplier agrees to supply the system to the State of Israel, and is qualified to enter into this agreement by all relevant law or contract;

Therefore it is declared stipulated and agreed between the parties as follows:

1. Preamble

1.1. The preamble and schedules to this agreement constitute an integral part thereof.

1.2. This agreement and the schedules appended hereto constitute the complete and exclusive agreement between the parties, regarding the matters stipulated therein.

1.3. The schedules to this agreement are as follows:

1.3.1. Schedule (1) – Time schedule;

1.3.2. Schedule (2) – Performance bond;

1.3.3. Schedule (3) – Escrow agreement;

1.3.4. Schedule (4) – Supplier's confidentiality undertakings;

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

1.3.6. Schedule (6) – Appendix A of the Tender.

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

2. Definitions

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

2.1. “**Authority Site**” – The government compound in Jerusalem.

2.2. “**Purchaser**” or “**Authority**” - The Biometric Database Management Authority;

- 2.3. **"Purchaser's Representative"** – IT Manager of the Authority, or any individual appointed by the Director General of the Authority to oversee this agreement.
- 2.4. **"Identity Card"** – As defined in the (Israeli) Population Registry Law, 5726 – 1965.
- 2.5. **"Travel Documents"** – Passports or other travel documents as defined by the Passports Law, 5712 – 1952;
- 2.6. **"Identification Document"** – An Identity Card or a Travel Document.
- 2.7. **"Days"** – Calendar days, unless clearly stated otherwise.
- 2.8. **"Working days"** – Sunday to Thursday, as is customary in Israel, excluding Jewish holidays.
- 2.9. **The "Tender"** – Tender No. 118/2011 for the Supply of a Biometric Matching System.
- 2.10. **"Proposal"** – The proposal submitted by Supplier, and was awarded the Tender.
- 2.11. **"Pilot Period"** – A two (2) years period established by Israel's Biometric Identification Law, 5769 – 2009, which can be extended for a further two (2) years. At the end of the Pilot Period a decision will be made as to the future application of the law regarding the Biometric Database.
- 2.12. **ICAO** - International Civil Aviation Organization.
- 2.13. **"Means of Control"** – in a corporation, any of the following:
 - 2.13.1. The right to vote at the general assembly of a company or at an equivalent meeting of another entity;
 - 2.13.2. The right to appoint a director or general manager in an entity;
 - 2.13.3. The right to participate in the distribution of profits of the corporation;
 - 2.13.4. The right to participate in the surplus assets of an entity at liquidation after its liabilities are discharged;
- 2.14. **"Control"** – The ability to direct the activity of a corporation – whether alone or with others or through others, directly or indirectly – arising from holding the Means of Control in that corporation or in any other

corporation; including capability that derives from the corporation's articles of association, from a written, oral or any other kind of agreement; or which derives from any other source, other than during the routine fulfillment of an employee's duties in the corporation;

2.14.1. Without derogating from the generality of the above, one will be perceived as having substantial influence in a corporation if one holds fifty percent or more of any Means of Control in the corporation; or if one has the ability to prevent the adoption of business decisions in the corporation, other than resolutions relating to the Means of Control in the corporation or decisions regarding the sale or liquidation of the majority of the corporation's business or the institution of material changes therein; The presumption is that one has control in a corporation if one holds the majority of Means of Control of any kind;

2.15. **"Initial Production Stage"** – the first ninety (90) from commencement of Production Phase (for Production Phase see sections 6.1.2. and 12).

2.16. "the Consultant" – an expert with at least five (5) years experience in biometric matching systems. The Consultant identity will be mutually agreed between the parties, and if such agreement cannot be achieved, the decision of head of Israeli Information Technology Association will determine.

מעוצב: גופן: מודגש

3. Term of Agreement

3.1. The parties hereby enter into a five (5) years agreement commencing from the date of its signing by the authorized signatories (hereinafter: the **"Original Contract"**).

3.2. Notwithstanding the above, Purchaser reserves the right to extend the Original Contract period for two additional periods of thirty (30) months each, not to exceed a total combined period of ten (10) years (including the Original Contract period).

3.3. The undertakings of the parties pursuant to the provisions of this agreement, which by their nature are not limited to the contractual period, shall remain in effect subsequent to the contractual period as well; without derogating from the generality of the above, it is agreed

that the undertakings stipulated by sections 19 and 24 below constitute such commitments.

4. Representations of Supplier

- 4.1. Supplier hereby warrants that it is authorized to enter into this Contract and that there is no contractual, legal or other hindrance to perform or fulfill its commitments, obligations and undertakings hereunder, including the supply of a biometric matching system, as stipulated by Supplier's proposal to the tender, as well as all the necessary components as stipulated by this agreement.
- 4.2. Supplier represents and warrants that all software programs included in the System are owned by it or that it has in its possession a lawful agreement for their distribution, marketing or sale.
- 4.3. Supplier represents and warrants that it possesses the professional knowledge, experience, expertise, and skills required to supply the required biometric matching system; that Supplier has all the necessary tools at its disposal, and that it possesses the relevant ability and skill to fully and in a timely manner, fulfill its commitments under this agreement;
- 4.4. Supplier represents and warrants that it understands the needs and requirements of the Authority with regard to this agreement, and that all of these needs and requirements can be achieved through the Proposal submitted by Supplier;
- 4.5. Supplier represents and warrants that it has signed this agreement after carefully reviewing the text of the Tender with all of its appendices and clarifications, that it has understood them, has received all of the explanations and instructions required in order to prepare its Proposal and its undertakings pursuant to this agreement, and that it has no claim against the Authority with regard to incomplete or insufficient disclosure, error or defect with regard to the data or the tasks required in supplying the System;
- 4.6. Without derogating from the generality of the above, Supplier represents and warrants that it has received all information as to enrollment outputs quality, and that it waives any claim as to the effect

of such quality on its commitments under this agreement and its Proposal.

- 4.7. Supplier represents that apart from the proprietary hardware detailed in its Proposal, the System will work using COTS (Custom Off The Shelf, standard) hardware. Therefore, Supplier hereby waives any claim regarding lack of compatibility between COTS hardware used by Authority and the System, insomuch as Authority will use COTS hardware similar to hardware described in the Tender and in Supplier's Proposal.
- 4.8. Supplier represents and warrants that it is aware that Authority has contracted with it on the basis of its Proposal and on the basis of the representations and undertakings made and asserted in the Proposal and in this agreement, above and herein.
- 4.9. Supplier represents that it accepts Authority's sole right to terminate the Contract if at the end of the Pilot Period it will be decided not to continue to operate the Biometric Database at all or in its current manner. All, as stipulated in section 35.1.1 below.

5. **The system**

- 5.1. Supplier undertakes to design, customize and supply the System.
 - 5.1.1. Supplier will install the Test Environment only.
- 5.2. Supplier will supply the most recent version of the System.
- 5.3. Supplier will supply the Authority with the following detailed documentation (both on hardcopy and in electronic format (MS Word or Editable PDF)):
 - 5.3.1. Operational documentation;
 - 5.3.2. Installation documentation (to be approved by Purchaser);
 - 5.3.2.1. A list of all passwords needed during the installation to allow Purchaser to pre-generate all passwords **prior to the installation.**
 - 5.3.2.2. All activation data that is required in order to re-generate the activation codes for all licenses supplied.
 - 5.3.3. Technical documentation;

- 5.3.4. Detailed documentation of the database tables, that will allow Purchaser to verify compliance with the limitations on storage of personal data stipulated in the Law.
- 5.3.5. System administration documentation;
- 5.3.6. Recommended best practices;
- 5.3.7. Detailed description of all modifications that were made during customization of the System for Purchaser;
- 5.3.8. Training manuals.
- 5.3.9. Detailed System Acceptance Test (SAT) documentation
- 5.4. Supplier will supply Purchaser with updates and upgrades for the system when so released, including all associated documentation.
 - 5.4.1. Installing such updates and upgrades is at Authority's sole discretion. If the Authority decides not to install an update or upgrade, Supplier shall continue to support Authority's version for a period of three (3) years.
- 5.5. Supplier will provide Authority with all required licenses to allow irrevocable rights of use in all System's components, that are unlimited in time or purpose (except for commercial purpose). This will include, without limitation, the right to modify, reproduce and deliver to a third party for receipt of service.
 - 5.5.1. Production may be done in two (2) sites (main site and cold DR site). In this case Supplier will provide abovementioned licenses for both sites with no additional cost.
 - 5.5.2. Supplier will provide said licenses without asking Authority to sign any additional agreements.
- 5.6. Supplier will provide Authority with a tool to convert data from the raw data to proprietary formats used in the System, as well as complete and detailed documentation.
- 5.7. All encryption mechanisms implemented in the System must be approved in advance and in writing by Purchaser.
- 5.8. Supplier will supply all proprietary hardware required for a system that will support seven million (7,000,000) records with no additional price.

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5.9. Supplier will supply, upon Purchaser's request, the COTS hardware listed in Supplier's Proposal, in the quantities detailed in the request and according to the prices specified in Supplier's Proposal, within thirty (30) days of the request.

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5.9.1. Purchaser is not obliged to acquire any hardware from Supplier, and it may, at its sole discretion, purchase some or all of the hardware from Supplier or from other suppliers.

5.9.2. Supplier is not obliged to supply any hardware component for which it has received from Purchaser the AG price, according to section 19.1.1 of the Tender, and has listed this price in its Proposal.

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6. Contract Milestones

6.1. The Contract is divided into two key phases:

6.1.1. The Setup Phase;

6.1.2. The Production Phase.

6.2. The Setup Phase will commence upon the signing of this agreement.

6.3. The Setup phase will terminate following the delivery of a functional matching system, but no later than sixty five, (65) days after the execution of this agreement, except upon prior written notice by the Purchaser.

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6.4. Notwithstanding the above, transition from the Setup Phase to the Production Phase is contingent upon written confirmation by Purchaser that the Setup Phase has terminated.

7. Stages of the Setup Phase

7.1. The Setup Phase will be split into four (4) main stages:

7.1.1. The Detailed Specifications Stage – detailed in section 8.

7.1.2. The Customization Stage – detailed in section 9.

7.1.3. The Training Stage – detailed in section 10.

7.1.4. The Tests Stage – detailed in section 11.

7.2. The Detailed Specifications Stage commences with the onset of the Setup Phase (6.2 above) and expires upon commencement of the Customization Stage, seven (7) days following the execution of the agreement.

7.2.1. Notwithstanding the above, a prerequisite to the transition from the Detailed Specification Stage to the Customization Stage is receipt of written notification from the Purchaser that the Detailed Specifications Stage has been completed.

7.3. Customization Stage will last twenty one (21) days, and will expire upon commencement of the Training Stage.

7.4. Training Stage will last seven (7) days, and will expire upon commencement of Tests Stage.

7.4.1. Notwithstanding the above, a prerequisite to the transition from the Training Stage to the Tests Stage is receipt of written notification from the Purchaser that the Training Stage has been completed.

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7.5. Tests Stage will last no more than thirty (30) days, and will expire upon Authority's confirmation that the System is currently working to its satisfaction.

7.6. Supplier will perform its obligations during Setup Phase using staff experienced with biometric matching systems. Such staff will include the number of employees required for fulfillment of Supplier obligations fully and in a timely manner, and in any case will include at least three (3) employees, each of which with at least one (1) year hands-on experience in customizing, implementing, optimizing and production of a Biometric Matching System of at least 1,750,000 records, and based on fusion of at least two (2) independent biometrics.

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7.6.1. Purchaser may decide, at its sole discretion, upon Supplier's written request, to allow Supplier to use a staff of two (2) employees with the abovementioned experience.

7.6.2. Supplier will demonstrate, upon Purchaser's demand, its compliance with section 7.6 above by sending its staff Curriculum Vitae, or by allowing Purchaser to conduct telephone interviews with its staff.

- 7.6.3. Supplier will replace an employee not authorized by Authority due to security or professional reasons.

8. Detailed Specifications Stage

- 8.1. During the Detailed Specifications Stage the parties will act to establish the final and detailed specifications of the System, based on requirements set forth in schedule (6).
- 8.2. Much of the joint work and correspondence will be done in meetings at Authority's Site. Terms of sections 17.3 and 17.6 shall apply.
- 8.3. As the end product of this stage, Supplier will provide Authority with a detailed specifications document. The approval of this document by Purchaser is a condition for transferring to Customization Stage. The approved document will be called hereinafter - "**Agreed Specifications**".
- 8.4. Supplier will send for approval of Purchaser within Detailed Specifications Stage the licensing method of the system and a description of its implementation process. The method and implementation process, once approved in writing by the Purchaser, shall constitute an integral part of Agreed Specifications.

9. Customization Stage

During Customization Stage, Supplier will customize the System according to the Agreed Specification.

10. Training Stage

- 10.1. During Training stage, Supplier will train Purchaser's staff at Authority facilities. Training will include all information required in order to allow the Purchaser to reach a level of proficiency that will enable it to install a production environment, to test this environment and to operate it efficiently.
- 10.2. Supplier will furnish Purchaser with the training program at least three (3) days in advance, including all training manuals in electronic format.
- 10.3. Supplier will supply Purchaser with all proprietary hardware or components listed in its Proposal and required for a system that will support three million (3,000,000) records, before end of Training Stage.

11. Tests Stage

- 11.1. Supplier will provide Purchaser with **system acceptance test documents (SAT)**. Purchaser may conduct additional or different tests.
- 11.2. Purchaser will conduct tests at its sole discretion, and may:
 - 11.2.1. Approve the System as is.
 - 11.2.2. Require additional System tuning and optimization for achieving optimal performance (matching accuracy and performance; and throughput) for Test and Production Environment.
 - 11.2.3. Reject the System in its entirety. In this case, Authority is allowed:
 - 11.2.3.1. To demand Supplier to align the System with Agreed Specifications.
 - 11.2.3.2. To terminate the agreement.
- 11.3. Authority will be entitled not to approve the System until all faults discovered during tests have been fully rectified and until the System will comply with Agreed Specifications.
- 11.4. It is agreed that Tests Stage will terminate only with approval of the System by Authority in writing. Authority will be entitled to compensation due to late delivery of milestones if the System will not be approved during time frame set for Tests Stage.
- 11.5. The ownership of the System and all its parts and components will be transferred to Authority upon approval of the System.
 - 11.5.1. Nothing by virtue of acceptance of the System shall derogate from Supplier's liability to fulfill its obligations under this agreement or from Purchaser's rights for remedies in case Supplier will breach its obligations.
- 11.6. Authority will purchase, upon approval of the System, three hundred thousand (300,000) records.
- 11.7. Supplier will send for approval of Purchaser within the Tests Stage, its recommended thresholds for the system. The recommended thresholds, once approved in writing by the Purchaser, shall be hereinafter referred to as the "Recommended Thresholds".

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11.7.1. Recommended Thresholds will not be changed without mutual written authorization of the Parties.

12. Production Phase

- 12.1. Authority will use the System without restriction on the number of records used.
- 12.2. Authority will pay Supplier, at the end of every six (6) months from the commencement of Production Phase, for records added in this six (6) month period, insomuch as Authority has not previously paid for those records.
- 12.3. Supplier will provide Authority, upon its demand and with no additional cost, assistance in:
 - 12.3.1. Monitoring the data quality associated with the biometric enrolment;
 - 12.3.2. Analyzing de-duplication performance and results;
 - 12.3.3. Tuning the system for improved accuracy and throughput.
- 12.4. Supplier will suggest ways in which the overall Biometric Database system accuracy (and performance) can be improved as scaling of the system occurs.
- 12.5. Supplier will provide Authority with bug fixes and workarounds as follows:
 - 12.5.1. Critical Bugs (bugs that cause the system to be inoperable or affect the detection of duplicate enrollments) – will be fixed or workaround will be provided within 24 hours. In case of workarounds, Supplier will provide a permanent fix within 14 days.
 - 12.5.2. Non-Critical Bugs - will be fixed or workaround will be provided within seven (7) days. In case of workarounds, Supplier will provide a permanent fix within twenty one (21) days.
- 12.6. Supplier will provide Authority with maintenance for all proprietary hardware supplied by it, including spare parts and assistance of experts in locating and fixing problems and faults. Supplier will be solely

responsible for performing maintenance procedures and repair of malfunctions, breaks or faults.

12.6.1. Maintenance procedures of such hardware will be specified by Purchaser at its sole discretion, in accordance with ISA procedures.

13. Source Code

13.1. Supplier shall furnish Authority with a copy of the Source Code of any part or component of the System that is created under this agreement (e.g. during the course of Customization Stage or Modifications and Development - M&D), after approval of the System or M&D .

13.2. A copy of the System source code (including detailed documentation) or of any of its parts and of any component included in it which is essential for operation of the system, which belongs to the Supplier and was in its possession prior to execution of this Agreement or which came into its possession other than in connection with this Agreement, shall be deposited in escrow with an Attorney - a Trustee of the Supplier - who is also acceptable to the Authority .

13.2.1. Supplier will notify Authority during Customization Stage as to the identity of the Trustee.

13.2.2. Authority will notify Supplier whether it approves the Trustee no later than the end of Tests Stage.

13.2.3. Supplier will furnish Authority with an escrow agreement for its signature, within fourteen (14) days from Authority's approval of the Trustee .

13.3. An Agreement relating to Source Code escrow shall be signed between the Supplier, the Trustee, and the Authority and shall be in the form attached to this Agreement as Schedule 3.

13.3.1. The form of escrow agreement attached as Schedule 3 constitutes an outline of the binding conditions from the standpoint of the Authority. These may be supplemented or amended, provided that such modifications do not derogate from the rights of the Authority defined in the format set out in Schedule 3 or in the conditions contained in the body of the

Agreement. Any change will be done only after receiving Authority's approval in writing.

13.4. Delivery of the Source Code to the Authority, in accordance with the abovementioned escrow agreement, shall not confer on the Authority any proprietary rights to such code or rights embodied in it. The purpose of such deposit and delivery of the Source Code to the Authority is to facilitate the continuous regular operation of the System.

13.5. Purchaser will demand the Trustee to deliver documentation included in Schedule 3 only after sending Supplier ten (10) days prior notice in order to allow Supplier to make a written claim before Purchaser's representative.

14. Clustering the Database

14.1. Upon Authority's demand, Supplier will perform all actions necessary for clustering the Database, as defined in Schedule 6 of this contract, according to time schedule agreed with Authority, and without additional payment.

14.2. Terms of sections 8 - 11 shall apply, mutatis mutandis.

15. Modifications and Development Services

15.1. Supplier will provide Authority with modifications and development ("M&D") services upon its request.

15.2. Supplier will submit, within fourteen (14) days from Authority's request, a proposal for making the requested modification.

15.3. The proposal shall include:

15.3.1. Implication of requested modification on System operations.

15.3.2. Time schedule for performing the modification.

15.3.3. Cost of modification with a detailed breakdown regarding stages and components.

15.3.4. Actions that Authority must take for implementing the modification.

15.3.5. Any potential risks on system performance and accuracy upon implementation of such modifications.

15.4. Authority may demand changes in schedule or price or ask Supplier to propose a different solution.

15.4.1. If parties are unable to reach an agreement regarding price or schedule, Purchaser may address the Consultant, to decide as to price or schedule. Consultant's decisions will bind the parties, will be final and may not be appealed. Nevertheless, Purchaser may decide, after receiving Consultant's decision, not to conduct the M&D.

15.4.2. Consultant's fee will be paid by both parties in equal parts.

15.5. Supplier will conduct M&D only after receiving Authority's written approval.

15.6. No payment shall be made in respect of preparation of a proposal for M&D or any action taken by Supplier prior to Authority's approval.

15.7. Terms of sections 8 - 11 shall apply, mutatis mutandis on approved M&D.

16. **Achievement of Milestones and System Performance**

16.1. Supplier will pay Authority, upon Authority's demand, an agreed compensation of five hundred (500) USD for each day of delay in achievement of milestone, stage or M&D approval.

16.1.1. Any delay of Supplier that arises from a delay in a task assigned to the Authority will not be seen as a delay.

16.1.2. Purchaser approval for transition between Contract milestones will not be unreasonably withheld.

16.2. During Production Phase, Supplier will pay Authority, upon Authority's demand, an agreed compensation of one hundred (100) USD for each day in which the total amount of False Duplicate alerts of the System exceeds one percent (1%) of the daily queries ("**False Alert Event**"), subject to the following:

16.2.1. More than three (3) False Alert Events have occurred during thirty (30) consecutive days.

16.2.2. Authority will not demand compensation during Initial Production Stage.

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- 16.3. In addition to compensation according to section 16.2, During Production Phase, Supplier will pay Authority, upon Authority's demand, an agreed compensation of five hundred (500) USD for each day in which False Alert Events exceed two percent (2%) of the daily queries ("**Critical False Alert Event**").
- 16.4. On occurrence of 16.2.1 or 16.3, Supplier will conduct, within seven (7) days of Authority's demand, all actions stipulated in sections 12.3 and 12.4 in order to resolve these problems in System performance.
- 16.5. Compensation according to section 16.2 and 16.3 will be doubled on the occurrence of 16.2.1 or 16.3 twice in six (6) consecutive months.
- 16.6. Supplier will pay Authority, upon Authority demand, five hundred (500) USD for each downtime event that exceeds four (4) hours, and additional two hundred (200) USD per each hour beyond first four (4) hours.
- 16.7. Supplier will pay Authority, upon Authority demand, one thousand (1,000) USD for each downtime event, if there are more than four (4) events per twelve (12) preceding months (including downtime due to maintenance procedures).
- 16.8. The following constitutes a fundamental breach of this agreement:
- 16.8.1. Failure of Supplier to correct the problems in the System as required in section 16.4.
- 16.8.2. More than six (6) False Alert Events have occurred during thirty (30) consecutive days.
- 16.8.3. More than three (3) Critical False Alert Events have occurred during thirty (30) consecutive days.
- 16.8.4. More than twelve (12) False Alert Events have occurred during twelve (12) consecutive months.
- 16.8.5. More than six (6) Critical False Alert Events have occurred during twelve (12) consecutive months.
- 16.8.6. A downtime event has exceeded more than eight (8) hours.
- 16.8.7. More than six (6) downtime events have occurred during twelve (12) consecutive months.

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- 16.8.8. More than three (3) downtime events that exceed four (4) hours have occurred during twelve (12) consecutive months.
- 16.9. It is hereby clarified that compensations set forth in this section are accumulative.
- 16.10. The liquidated damages set forth in this section may be offset in accordance with section 32.
- 16.11. Sections 16.2-16.5 and 16.8.1-16.8.5 will not apply if Purchaser has set the system thresholds not in compliance with Recommended Thresholds.

17. Training and Professional Guidance

- 17.1. Supplier will provide Purchaser with professional guidance, support and professional training as needed.
- 17.2. Without derogating from the generality of the above, Supplier will provide guidance and training by e-mail or telephone, as per Purchaser's request, at no additional cost.
- 17.3. During Setup Phase and Initial Production Stage, Supplier will provide the services stipulated in section 17.1 above without additional cost, and will pay for all its expenses (including flights and accommodations). All meetings in these stages shall be conducted in Israel, unless Authority will decide otherwise.
- 17.4. In case extra support is required by Purchaser during Production Phase (not including Initial Production Stage), beyond the support contemplated by section 17.2 or any of Supplier's obligations under this Contract (including section 12 above), the Authority will pay Supplier:
- 17.4.1. One thousand (1,000) USD for each day (actual working days) required;
- 17.4.2. One thousand (1,000) USD, as a lump sum for each visit to Israel for support at Authority's Site (including hotels, flights, per diem and all travel expenses). If a visit will extend more than five working (5) days due to Purchaser's specific request, Purchaser will pay Supplier additional two hundred (200) USD for each work day beyond the first five working (5) days of the visit.

- 17.5. Purchaser will send fourteen (14) days advance written notice to Supplier regarding the requested on-site visit dates; a visit by Supplier without a request from Purchaser or without prior and written approval from Purchaser will not entitle Supplier to any payment.
- 17.6. Supplier undertakes to provide support and guidance at the Purchaser's facilities on the dates fixed by Purchaser.
- 17.7. Supplier is responsible for coordinating a visit pursuant to notice given by Purchaser in accordance with section 17.5 (including flights, accommodations, and security arrangements (if needed)).
- 17.8. Supplier will send, in advance, the names of its staff scheduled to be sent to Purchaser's facilities and a photocopy of their passport data page; Purchaser may, for security reasons, reject any staff, without explanation or reason, and such decision shall be final.

18. Supplier Representative

- 18.1. Supplier undertakes to appoint a representative from among its employees, managers or proprietors as the individual responsible for all interaction with the Authority regarding all matters relating to and inherent in the execution of this agreement (hereinafter: the **Representative**)
- 18.2. Upon the signing of the agreement, Supplier will notify Authority of the name and contact information of the representative and will inform Authority of his replacement or termination of his service immediately, upon any change in status.

19. Confidentiality

- 19.1. Supplier undertakes to keep confidential and not transmit, or bring to the attention of any individual or to any third party, any information or document that it obtains as a result of or in relation to the execution of this agreement or during, prior or subsequent thereto, all in accordance with the confidentiality undertaking appended as **Schedule (4)** of this agreement.
- 19.2. Supplier's signature, the Supplier Representative's signature and the subcontractor's signatures on the undertakings of confidentiality appended as **Schedules (4) and (5)** of this agreement are a precondition to the validity of this agreement.

20. Information and Copyrights

20.1. Any information collected, generated or collated by Supplier in relation to this agreement in respect to the Biometric Database project as a whole or in part (hereinafter the “**Information**”) belongs solely to Purchaser and is held in trust by Supplier for Purchaser; Purchaser can make use of the information as it so desires, within the limitations of the law.

החוק: or a non-disclosure agreement between the Supplier and the Purchaser

20.2. Supplier shall not possess any proprietary right, copyright, commercial or economic development rights or any other rights to Information generated or collected by Supplier during the course of the execution of or resulting from the agreement, and the Information may not be used for any purpose other than for the performance of its undertakings pursuant to the agreement, except with prior written permission from Purchaser’s representative.

20.3. Upon expiration of the contractual relationship or pursuant to a direct written request of Purchaser, Supplier will transfer any Information in its possession to Purchaser, or to whom Purchaser explicitly instructs in writing to do so, and Supplier shall not retain a copy, backup or sections of the Information generated or collected during the contractual period, other than upon prior written authorization from Purchaser’s representative to do so.

20.3.1. Upon completing the aforementioned transfer of Information, Supplier will deliver a signed affidavit to Purchaser, by which it declares that all the Information in its possession or in the possession of its employees or subcontractors was delivered to Purchaser and that no Information, as defined in section 20.1, has been retained by Supplier, Supplier’s employees or subcontractors.

20.4. Supplier must store any Information in a secure manner (that is no less than the security measures it uses to store its own confidential information), and must refrain from transmitting it to any party not involved in the execution of this contract, except upon prior, express written authorization from Purchaser.

20.5. Supplier shall notify Purchaser immediately and in writing, of any compromise of the security of the information. In addition, Supplier shall

notify Purchaser immediately and in writing, upon the occurrence of any security incident, including:

- 20.5.1. Loss of information;
- 20.5.2. Burglary at Supplier's facilities which may, in any way, affect Purchaser;
- 20.5.3. Any leak of information.

And will continuously update Purchaser in detail with any relevant information pertaining to said incident.

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- 20.6. Sections 20.1 – 20.4 will not apply to information previously owned by Supplier or to information that the Supplier is licensed, by third party, to use. Supplier hereby grants to Purchaser a worldwide, non-exclusive, perpetual, irrevocable, royalty-free license to use or modify such information for all purposes.

21. Proprietary Rights

- 21.1. Supplier undertakes to perform all its obligations under this agreement so that all the System components, software, proprietary hardware, concepts and policies and any service Supplier will provide, will not be of such nature as might give rise to a claim against Supplier or against Authority due to infringement of the copyrights, patents, trade secrets or any other right of a third party.
- 21.2. Without derogating from generality of the foregoing, Supplier represents that it is the owner, or licensed user and distributor of all the rights (including intellectual property rights) to the tools, methods, hardware and software components (including any proprietary hardware and software components) that are used in the performance of this contract.
- 21.3. Under no circumstances shall the Purchaser bear any costs for a breach of the foregoing. Any claim against the Authority concerning such matters shall be forwarded to the Supplier, which will bear all expenses and consequences arising from it.
- 21.4. Supplier undertakes to agree to become a third party in any litigation initiated against Purchaser for infringement of copyright, and commits to reimburse Purchaser for any sums it is charged for said breach and for all damages that Authority will bear.

- 21.5. Without derogating from the generality of section 20 above, it is hereby agreed that the following are in the exclusive ownership of Authority:
- 21.5.1. Any invention, patent or any intellectual or tangible property conceived or created in the course of fulfilling Supplier's obligations under this contract.
 - 21.5.2. Any part of the System developed for the Authority under this contract, including clustering of the Database.
 - 21.5.3. Any information, document, plan, photograph, concept or drawing created, developed, designed, or produced in the course of fulfilling Supplier's obligations under this contract or in connection with it.
 - 21.5.4. Supplier will furnish Authority with all documentation and Source Code regarding parts of the System that are owned by Authority.
- 21.6. Supplier will not use anything owned by Authority without receiving its written approval in advance. This approval may be conditioned on advance payment by Supplier to Authority or to anyone authority will instruct the Supplier.
- 21.7. It is hereby clarified that Authority may use, distribute or sell anything owned by it, or exercise its rights in any other way it sees fit, including selling of such rights to third parties, without the need to obtain Supplier's consent.
- 21.8. Nothing in this section shall derogate from any intellectual property right relating to the System (including M&D) owned by Supplier or anyone on its behalf prior to performance of this agreement nor from any intellectual property right which comes into Supplier's possession other than in connection with this agreement.

22. Conflicts of Interest

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

23. Renewing Certifications and Licenses and Regulations Compliance

23.1. Supplier must maintain and renew all certifications and licenses, upon which the awarding of the Tender was contingent or which constituted a basis for the evaluation of its proposal, so that they remain in effect for the entire term of the agreement. Failure to maintain or renew a certification or license constitutes a fundamental breach of the agreement.

23.2. Supplier undertakes to comply with all laws and regulations that were prerequisites for being awarded the Tender or which constituted the basis for the evaluation of its proposal. Failure to comply with said regulations constitutes a fundamental breach of the agreement.

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

24. Liability in Torts

24.1. Supplier shall be solely liable for, and shall fully indemnify and hold harmless the Authority or any of its officers, directors and employees against any liability, loss, damage, expense or proceeding whatsoever, that are the result of a defective or negligent execution of its obligations under this agreement.

24.2. Supplier shall be solely liable for any damage of any kind that is caused to its or its subcontractor's employees or to any other human being or entity operating on its behalf.

24.3. The Supplier shall indemnify Authority for any damage or loss occasioned to it as provided above, as a result of any claim in respect of an act or omission as aforesaid, and in the event that Authority is obliged to pay compensation or any other payment in connection with such a claim, the Supplier undertakes to pay such sum to Authority itself, upon its first demand, including all the expenses incurred by

Authority in connection with such civil or criminal claim, and because of the need to defend itself against the claim.

24.4. The total aggregate Supplier's liability for any loss arising under this section shall in no event exceed the value of fifty percent (50%) of three million records or the value of fifty percent (50%) of the actual number of records supplied to Purchaser, whichever is higher.

25. **Insurance**

Supplier undertakes to purchase all of the insurance policies listed herein from an insurance carrier **in its favor and in favor of the State of Israel – Ministry of the Interior - The Biometric Database Management Authority** - and to present the policies to Purchaser with all of the coverage and terms required with the following limits of liability:

25.1. **Combined product liability and professional indemnity policy for the software and hardware industry OR Electronic Products and Services Errors or Omissions and Products Liability Insurance -**

Supplier will insure its liability with all regards to planning, designing, development, setup, installation, transfer to production environment, training, adjustment, maintenance and support of a biometric matching system pursuant to the agreement with the State of Israel – The Biometric Database Management Authority, under a combined product liability and professional indemnity insurance policy.

25.1.1. The policy will cover the liability of the Supplier, its employees, and anyone acting on its behalf –

25.1.1.1. Concerning any professional act or omission – coverage in respect of breach of professional duty, error or omission, negligence or neglect;

25.1.1.2. Liability for any product defect – coverage in respect of damage caused, connected to products manufactured, developed, updated or upgraded, assembled, repaired, delivered, sold, distributed, or otherwise handled by the Supplier or any person acting on its behalf;

25.1.1.3. Any actions of the Supplier, its employees and any person acting on its behalf, including

development, installation, and maintenance of the biometric matching system.

- 25.1.2. Limit of liability per event and per year shall not be less than two million five hundred thousand (2,500,000) USD;
 - 25.1.3. Extension of disclosure period – at least twelve (12) months;
 - 25.1.4. Cross Liability;
 - 25.1.5. The policy will be expanded to indemnify the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, inasmuch as they shall be considered responsible for the act or omissions of Supplier or anyone acting on its behalf.
- 25.2. The policy as set above shall include the following provisions:
- 25.2.1. The coverage will be expanded to **cover the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, in addition to the name of the insured** (in addition to the expansion set forth in 25.1.5 above).
 - 25.2.2. The reduction or cancellation of coverage by Supplier shall not be valid unless at least sixty (60) days prior notice is sent by registered letter to the Comptroller of the Ministry of Interior, a copy thereof has also been sent to the Purchaser representative.
 - 25.2.3. The insurer waives all rights to subrogation, claim, participation or reimbursement against the State of Israel – Ministry of the Interior - The Biometric Database Management Authority and its employees, provided that the waiver does not act to favor any person who has caused damage with malice.
 - 25.2.4. Supplier is solely responsible for the payment of premiums for the policies, and to satisfy all of the duties imposed on the policy holder according to the terms of the policy.
 - 25.2.5. Supplier is solely responsible for the deductible in each policy.
 - 25.2.6. Any clause in the insurance policy that nullifies or in any way reduces the liability of the carrier due to the existence of

another policy, shall not be effected against the State of Israel – Ministry of the Interior - Population, Immigration and Border Authority, and the policy will be considered as the primary policy entitled to all the rights under the terms of the policy.

- 25.3. Copies of the policy certified by the insurance carrier or an affidavit signed by the carrier regarding the activation of the aforementioned insurances will be provided to Purchaser prior to the signing of the agreement.
- 25.4. Supplier undertakes that for the entire contractual period with the State of Israel – Ministry of the Interior - The Biometric Database Management Authority and for as long as it is liable, to keep the insurance policy current. Supplier undertakes to renew the policy on an annual basis as long as the contract with the State of Israel – Ministry of the Interior – Biometric Database Management Authority remains in effect. Supplier undertakes to present copies of the renewed policy certified and signed by the insurance carrier or an affidavit attesting to their renewal signed by the carrier, to the State of Israel – Ministry of the Interior - Population, Immigration and Border Authority, no later than **two weeks before** the policy is due to expire.
- 25.5. The provisions of this section (25) shall not be construed as exempting Supplier from any duty applicable to it by law and the aforesaid shall not be construed as a waiver by the State of Israel – Ministry of the Interior - The Biometric Database Management Authority, of any right or remedy available to it by law and the provisions of this contract.

26. Assignment

- 26.1. Supplier may not endorse, encumber or mortgage its rights or duties pursuant to this agreement to a third party unless it receives prior written permission from Authority to do so.
- 26.2. An endorsement, encumbrance or mortgage, if made without authorization, shall not be binding, and will constitute a fundamental breach of the agreement, and the Authority will not honor said assignments nor make any payments for products provided in this manner.

27. Subcontractors

- 27.1. Supplier may, in order to meet its commitments pursuant to the terms of this agreement, contract with the subcontractors listed in its proposal notwithstanding the provisions set forth in section 26; Nonetheless, Supplier may not contract with subcontractors who are not listed in its proposal without permission from Authority as stated in section 26.
- 27.2. Supplier hereby represents that there are no provisions in the agreements between Supplier and its subcontractors, directly or indirectly, that would prevent or hinder them to supply components or services directly to Authority or to another body acting on its behalf.
- 27.3. The use of subcontractors does not derogate from the obligations of Supplier or its exclusive responsibility to Authority; failure of a subcontractor to meet its obligations shall not absolve Supplier from its obligations under this agreement.

28. Performance Bond

- 28.1. To secure all of its obligations pursuant to this agreement, Supplier undertakes to deposit with the Authority representative, prior to the signing of this agreement, an unconditional bank/insurance bond, in favor of Authority, in the amount of two hundred thousand (200,000) USD (or two hundred fifty thousand (250,000) USD – if Supplier compliance with section 16 of the Tender was due to it being a Key Subcontractor), which shall be valid from the day it is provided until two (2) months after the termination of the contract.
- 28.2. The text of the performance bond shall be as set forth in **Schedule (2)** of the agreement.
- 28.3. The contract shall not enter into effect until delivery of the performance bond to the Authority.
- 28.4. An extension of the contractual period, beyond the original contractual period, shall be contingent upon the extension of the initial performance bond so that it covers the additional period. Failure to extend the performance bond for the additional term shall constitute a fundamental breach of the agreement creating grounds for forfeiture of the bond.
- 28.5. Authority will be entitled to forfeit the performance bond, in whole or in part, as liquidated damages, if Supplier breaches any of the terms of

the agreement, after sending prior fourteen (14) day notice to rectify the breach and to allow Supplier to make a written claim before its representative.

- 28.6. The amount of the performance bond constitutes a reasonable estimate of the projected damage to Authority should it be required to terminate the contract with Supplier as a result of said breach.
- 28.7. The forfeiture of the bond shall not prevent Authority from filing a lawsuit against Supplier for the full cost of its damages in the event that said damages exceed the value of the forfeited bond.
- 28.8. Upon partial or complete forfeiture of the bond, Supplier will deposit a new guarantee with Purchaser, in the language set forth in **Schedule (2)** of the agreement, to supplement the amount of the bond so that it will equal the amount of the bond stipulated in section 28.1.
- 28.9. To dispel any doubt, the forfeiture of the bond shall not release Supplier from full satisfaction of its commitments pursuant to the agreement, and in accordance with its Proposal.

29. Undertakings of the Authority

- 29.1. Authority will pay Supplier the consideration for the product as contemplated by section 30.
- 29.2. Authority will buy at least three million (3,000,000) records during the Original Contractual Period.

30. Consideration

- 30.1. Consideration to be paid by the Authority for the performance of the contract is as specified in the Proposal, Schedule (6) of the contract, meaning ____ USD for each record of first three million (3,000,000) records. Price for each additional record will be reduced by fifteen percent (15%).

This section will constitute a fundamental section of this agreement. To derogate any doubt, a reasonable delay in payments shall not constitute a fundamental breach.

- 30.2. The foregoing price is final and reflects all of the various factors set forth in the agreement, in addition to the records themselves, unless

specifically stated otherwise in this agreement. Notwithstanding the generality of the foregoing, the price per record includes:

- 30.2.1. The System as specified in the Tender documents and Supplier's proposal.
 - 30.2.2. All required software licenses.
 - 30.2.3. All Documentation.
 - 30.2.4. All updates & upgrades; Bug fixes and workarounds.
 - 30.2.5. Professional guidance through Setup Phase and Initial Production Stage.
 - 30.2.6. Proprietary hardware and maintenance of such hardware.
 - 30.2.7. All costs (direct and indirect) incurred in the shipping of proprietary hardware or other components from Supplier's facility to the place of delivery, including all taxes and levies (any taxes at country of origin, import taxes, duties, purchase tax etc.), shipping costs, storage (until delivery to the delivery place set in the order) and release from the port, shipping and storage in Israel (not by Purchaser), bonds and various insurance policies.
 - 30.2.8. All Supplier's obligations stipulated in this contract, unless explicitly stated otherwise in this agreement.
- 30.3. The price does not include Israeli VAT.
- 30.4. It is understood that neither Supplier nor its representatives are entitled, under any circumstances, to receive any compensation or benefit directly or indirectly from any third party with regard to the performance of the services contemplated by this agreement. A benefit that is received as aforesaid shall constitute a fundamental breach of this agreement.
- 30.5. Prices stated above shall remain in effect throughout the entire contract period, and will be final and fixed. It is hereby clarified that prices shall not be linked in any way.
- 30.6. Compensation shall be remitted to Supplier each six (6) months from commencement of Production Phase and in accordance with the number of new records Authority has used as of last payment;

erroneous records will not be considered as records, for payment purposes; payments will be made within twenty four (24) to forty five (45) days of receipt of an invoice at the Ministry of Interior ("**Ministry**"), subject to approval by Purchaser's representative that the details in the invoice are correct and that Supplier has provided all its obligations according to the agreement.

30.7. A detailed statement of new records used in the relevant period must be attached to the invoice. The statement must be certified by the Authority representative.

30.8. Supplier will not increase the extent of the work nor institute any other modifications to the provisions written in the agreement and its appendices, unless it obtains prior written authorization to do so from the authorized signatory of the Government, inclusive of the Comptroller of the Ministry. A modification that has not been authorized as set forth above by the Ministry's signatories, shall become the sole responsibility of the Supplier and shall not entitle Supplier to any further additional payment.

30.8.1. Supplier represents that it has verified the identities of the authorized signatories for purposes of the execution of the agreement and that it is aware that Government will bear no responsibility for any deviation or addition or modification that did not receive their explicit prior written authorization.

30.9. Payments for work performed shall be remitted in the manner as is customary in the Israel government ministries, in accordance with the guidelines of the Accountant General with respect to the acquisition of goods and services in effect from time to time, and subject to the Budget Law and its regulations.

30.10. Supplier shall not be entitled to any other compensation other than the monetary compensation explicitly detailed in this agreement.

31. Absence of Employment Relationship

31.1. The parties stipulate that the relationship between them is that of a purchaser and an independent contractor, and under no circumstance shall this agreement be construed as creating an employer – employee relationship between Authority and Supplier, Supplier's employees or

any representative thereof. Supplier will compensate Authority for any monetary payment, charge or other liability held against Authority, if so held, due to the filing of an employment lawsuit against Authority by any of Supplier's employees or any representative thereof, immediately upon Authority's demand to do so and upon the presentation of the binding judgment.

- 31.2. Supplier represents that it has sole responsibility for its employees, and that it alone bears all liability, duty or obligation that an employer has towards its employees, including wages, employers insurance or any type of social benefits.
- 31.3. Any change in the employment agreement between Supplier and its employees does not concern the Authority and shall not serve as grounds to modify the agreement, unless express prior written approval for such modification is given by Authority.

32. Deductions

- 32.1. Supplier stipulates that Authority may withhold any sum owed to it pursuant to the terms of the agreement, from the compensation due the Supplier pursuant to this agreement, or to any other contract or law.
- 32.2. Notice of the amounts withheld by Authority as stated will be sent to Supplier at the time of withholding.
- 32.3. Supplier may protest such withholding or claim monies allegedly owed to it to the Authority representative.
- 32.4. The foregoing protest must be submitted no later than 90 days from receipt of the payment from which monies were withheld or from the date that notice of the withholding is received, as the case warrants.
- 32.5. Failure to protest within the period stated above shall be deemed acquiescence on the part of the Supplier to the deduction.

33. Lien

- 33.1. Neither Supplier nor its agents shall have a right of lien in respect to Purchaser or its representatives, including the goods, documents or other assets associated with Supplier's services or which belong to Purchaser or a representative thereof.

33.2. The Supplier undertakes to insert a clause into every contract between it and a subcontractor, by which said subcontractor shall not have a right of lien.

34. Breach of Contract by Supplier

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

34.2. The following sections constitute fundamental sections of the contract: 5, 6, 7, 8.3, 13, 19, 20.2, 21, 23, 21.1, 25, 26, 28.1, 28.4, 28.8 and 30.1.

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

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

35. Termination of Contract

35.1. Authority may terminate its agreement with Supplier prior to the expiration thereof, upon thirty (30) days prior written notice to Supplier, in each of the following instances:

35.1.1. It has been decided, at the end of the Pilot Period, not to continue to operate the Biometric Database at all or in its current manner.

35.1.2. Supplier is in a situation where it cannot continue to operate in an orderly way;

- 35.1.3. A motion to appoint a trustee, interim liquidator, or receiver is filed against Supplier and it has not been repealed within ninety (90) days of its submission;
 - 35.1.4. A liquidation order or receivership order is issued against Supplier, or an interim liquidator has been appointed for Supplier;
 - 35.1.5. A lien has been placed on Supplier's assets or its rights pursuant to this agreement, in whole or in part, and the lien is not removed within ninety (90) days of its imposition;
 - 35.1.6. Purchaser discovers that Supplier, its controlling shareholder, its subcontractor or the subcontractor's controlling shareholder is a resident of or is incorporated in a country that does not maintain diplomatic relations with the State of Israel or has become one of the above during the course of the contractual period, due to a change in ownership, or due to a change in the definition of a country that does not maintain diplomatic relations with Israel or for any other reason.
- 35.2. Supplier, upon completion of the agreement, shall transfer all items constituting property of the Authority to Authority and will reimburse Authority for any goods or services not provided.

36. General

- 36.1. Without derogating from the provisions of this agreement, any undertaking in Supplier's proposal shall be deemed part of this agreement, and shall bind Supplier as if written expressly in the agreement.
- 36.2. Any deviation by Supplier from the provisions of its proposal shall be deemed a breach of the agreement, except upon prior written approval by Authority.
- 36.3. A renouncement of a right conferred upon any party pursuant to this agreement or by law shall not be effective unless made in writing and signed by the authorized signatory of said party.
- 36.4. The laws of the State of Israel shall govern this agreement.

36.5. The terms of this agreement constitute complete and full expression of the rights of the parties, and revoke any agreement, representation, promise or custom that preceded the signing thereof.

37. Interpretation

37.1. The division of the agreement and its appendices into sections is done for convenience and orientation sake only and shall not be ascribed any interpretative meaning whatsoever.

37.2. The headings of the sections in this agreement are provided for convenience only and shall not be used in the interpretation thereof.

37.3. Reference made in the singular shall include the plural and vice versa; Reference made in the masculine gender, shall include the feminine gender as well and vice versa.

37.4. The Hierarchy of the tender and the Agreement –

37.4.1. The tender and the agreement appended thereof constitute one document with complementary parts.

37.4.2. An effort will be made to resolve any contradiction between the text of the tender and the text of the agreement.

37.4.3. If the contradiction cannot be resolved, the text of the agreement shall prevail.

37.5. The text of the agreement shall prevail in any instance of a contradiction between the agreement and its appendices.

38. Jurisdiction

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

39. Notices

39.1. Notice sent by one party to the other pursuant to this agreement or relevant law shall be sent by registered mail, or by fax with confirmation of receipt, or by electronic mail with confirmation of its acceptance, to the addresses of the parties appearing at the end of the agreement. A registered letter shall be deemed as having arrived at its destination following 72 hours from its dispatch by post; a fax or electronic mail shall be deemed as received upon receipt of confirmation of delivery.

- 39.2. The addresses of the parties for the purposes of this agreement:
- 39.2.1. Authority: Ministry of the Interior - Population, Immigration and Border Authority, 6 mesilat Yesharim St., Jerusalem, 94584.
- 39.2.2. Supplier: _____
 Address for service of documents: _____
 Tel. _____ Fax. _____
 Email _____
- 39.3. The parties' representatives concerning the execution of this agreement are:
- 39.3.1. On behalf of Authority: _____ Tel. _____;
 _____;
- 39.3.2. On behalf of Supplier: _____ Tel. _____
 _____.
- 39.4. Parties may replace their representatives upon written notice of such to the other party.

In witness thereof the parties set their hands:

 Director General of
 Biometric Database
 Management Authority

 Comptroller, Ministry
 of the Interior

 Representative of
 Supplier

Schedule (1) – Time Schedule

1. The Agreement shall prevail in any contradiction between the text of this Schedule and the Agreement. Purchaser may modify these dates upon prior written notice.
2. In this Schedule, “Effective Date” – is the date of the signing of the agreement as contemplated by section 3.1 of the agreement.

Date	
Effective Date.	The date the agreement is signed; the start of the Setup Phase. Start of Detailed Specification Stage (section 8 of the agreement).
Seven (7) days following Effective Date.	Start of Customization Stage (section 9 of the agreement).
Twenty eight (28) days following Effective Date.	Start of Training Stage (section 10 of the agreement).
Thirty five (35) days following Effective Date.	Start of Test Stage (section 11 of the agreement).
Sixty five (65) days following Effective Date.	End of Setup Phase, Start of Production Phase and Initial Production Stage.
One hundred fifty five (155) days following Effective Date.	End of Initial Production Stage.

גמחק: Forty two
גמחק: 42

גמחק: thirty
גמחק: two (132)

Schedule (2) – Performance Bond

Name of Bank/Insurance Company _____

Tel. No. _____

Fax no. _____

To: Government of Israel

By the Biometric Database Management Authority

Re: our guarantee no. _____ for _____

We hereby guarantee to cover any sum until _____
(as written _____)

That is demanded from: _____ (hereinafter the
"Debtor") in all matters regarding _____ .

We will remit the aforesaid payment within 15 days from the date of your first demand sent to us by registered mail, without the need for any explanations for your demand and without raising any claims against you available to the debtor regarding the outstanding debt or first demanding defrayal of the aforesaid sum from the Debtor.

This guarantee shall remain in effect from the date of _____ to the date of _____.

A demand pursuant to this bond must be referred to bank branch / insurance company _____ whose _____ address _____ is

Name of bank/insurance company

Bank and branch number Address of bank /insurance company

This guarantee is non-transferable.

Date Full name Stamp and signature

Schedule (3) – Source Code Escrow Agreement

An Agreement Between

Whose address is _____

Registered in the _____ Register

Corporate no. _____

By the authorized signatories _____

(Hereinafter: "**Supplier**")

As one party;

-And-

Whose address is _____

By the authorized signatories _____

(Hereinafter: "**Trustee**")

As the second party;

-And between-

Government of Israel, by the Biometric Database Management Authority, through its authorized signatories, Director General of the Biometric Database Management Authority and Comptroller of the Ministry of the Interior;

(Hereinafter: "**Authority**")

As the third party.

1. Definitions

- 1.1. **"The Main Agreement"** – the Agreement between the Authority and the Supplier, dated _____ on the subject of _____.
 - 1.2. **"The System"** – a biometric matching system which is the subject of the Main Agreement .
 - 1.3. **"The Deposited Code" or "the Documentation"** - the original source code and in-source & all other descriptive (textual) documentation of the System, and of the following parts of the System: _____, as well as any source codes regarding advanced releases, subsequent developments, updates and upgrades, and improvements introduced into the System or in part of it and which have been supplied to the Authority, and in respect of which the Documentation has been deposited . In addition – all executable files of current version, as well as all information required for compiling the source code).
2. The Main Agreement shall constitute an appendix to this Agreement and its provisions insofar as they are relevant to the Parties under this Agreement, shall bind the Parties .
 3. The Company hereby deposits the Documentation with the Trustee in escrow. The Documentation is being deposited both on magnetic media and in the form of a written and printed list (descriptive documentation is supplied in standard electronic formats – MS-WORD or editable PDF).
 - 3.1. It is hereby clarified that the Authority may check the compatibility of the deposited material with its requirements in the Main Agreement.
 - 3.2. The Company shall update the deposited Documentation from time to time as required in accordance with updates and upgrades of the system or any of its individual parts, in order to meet the requirements of this Agreement .
 - 3.3. Trustee will notify Authority in writing upon the occurrence of each update of Documentation by Supplier; and upon any delays by Supplier to provide such Documentation to Trustee.
 4. Payment to the Trustee shall be made by the Supplier and shall be the sum of _____, with the following terms of payment: _____.

5. Upon the occurrence of one of the events detailed below in this section, the Trustee shall deliver the deposited documentation to the Authority within (14) days of the date of its written demand :
 - 5.1. The Supplier has commenced liquidation proceedings, either voluntary or involuntary.
 - 5.2. A temporary or permanent Receiver has been appointed for the Supplier.
 - 5.3. The Supplier is unable to continue providing a service and performing its obligations under the provisions of the Main Agreement .
 - 5.4. Rescission of the Main Agreement by the Supplier other than by reason of a breach of the Agreement by the Authority.
6. Confirmation of the occurrence of any event detailed above in Section 5 should be signed by a duly authorized representative of the Supplier for such purpose or by certification of the Director General of the Authority and shall obligate the Trustee to deliver the documentation as aforesaid, after having reasonably examined the occurrence of the alleged event.

Signatures:

Date

Date

Date

The Supplier

The Trustee

The Authority

Schedule (4): Supplier's confidentiality undertakings

1. Definitions

- 1.1. "Confidential Information" - any information relating to or associated with, directly or indirectly, the Biometric Database Management Authority, its operations or contacts, including information or details related to the Agreement, the nature of the Israeli Database matching System and the unique features of the System supplied by the Supplier.

2. Confidentiality undertakings

By its signature below, Supplier represents and undertakes:

- 2.1. Not to disclose, show, distribute, disseminate or transmit, during the contractual period or at any time subsequent thereto, to any person or body, in any way or form, any Confidential Information.
- 2.2. To perform all reasonable actions and take all reasonable measures in order to prevent any leak of Confidential Information to non-authorized parties. The aforesaid actions and measures will be no less than the actions and measures the Supplier takes to avoid unauthorized disclosure of Supplier's own confidential information.
- 2.3. To use the aforementioned information for the sole purpose of the agreement between Supplier and Purchaser.
- 2.4. At the request of Purchaser, to sign every employee, subcontractor or our representatives on a non-disclosure agreement to be provided to the Supplier by the Purchaser.

3. Exceptions

- 3.1. Notwithstanding the provisions set forth in section 2, the Supplier may disclose confidential Information to its employees, who have a reasonable need to know such Confidential Information and who are under binding obligation to keep such information confidential. Such binding obligation shall provide at least the same level of confidentiality as is required by this agreement.
- 3.2. Supplier's obligations as per section 2 shall not apply to any information which the Supplier can prove is:

- 3.2.1. Publicly known at the time of disclosure;
 - 3.2.1.1. Confidential Information shall not be deemed to be public merely because any part of the Confidential Information is embodied in general disclosures or because individual features, components or combinations thereof are now or become known to the public;
 - 3.2.2. Subsequently becomes publicly known through no fault of the Supplier;
 - 3.2.3. Discovered or created by the Supplier before disclosure by Authority;
 - 3.2.4. Is independently developed by the Supplier without the benefit of any of the Confidential Information as evidenced by written documentation;
 - 3.2.5. Learned by the Supplier through legitimate means other than from the Authority or its representatives;
 - 3.2.6. Disclosed by Supplier with Purchaser's prior written approval.
 - 3.2.7. Required to be disclosed in order to comply with legal mandatory regulations, a judicial or official order or decree, provided that written advance notice of such judicial action was timely given to the Authority.
4. The duty to hold Confidential Information in confidence shall remain in effect until the Authority will send the Supplier a written notice releasing Supplier from its undertaking set forth in section 2.

Date

Signature of Supplier

Schedule (5): Supplier's Representative's confidentiality undertakings

1. Definitions

- 1.1. "Confidential Information" - any information relating to or associated with, directly or indirectly, the Biometric Database Management Authority, its operations or contacts, including information or details related to the Agreement, the nature of the Israeli Database matching System and the unique features of the System supplied by the Supplier.

2. Confidentiality undertakings

By its signature below, Supplier's representative represents and undertakes:

- 2.1. Not to disclose, show, distribute, disseminate or transmit, during the contractual period or subsequent thereto, to any person or body, in any way or form, any Confidential Information.
- 2.2. To perform all reasonable actions and take all reasonable measures in order to prevent any leak of Confidential Information to non-authorized parties. The aforesaid actions and measures will be no less than the actions and measures the Supplier takes to avoid unauthorized disclosure of Supplier's own confidential information.
- 2.3. To use the aforementioned information for the sole purpose of the agreement between Supplier and Purchaser.

3. Exceptions

- 3.1. Notwithstanding the provisions set forth in section 2, the Supplier's representative may disclose confidential Information to Supplier's employees, who have a reasonable need to know such Confidential Information and who are under binding obligation to keep such information confidential. Such binding obligation shall provide at least the same level of confidentiality as is required by this agreement.
- 3.2. Supplier's representative's obligations as per section 2 shall not apply to any information which the representative can prove is:
 - 3.2.1. Publicly known at the time of disclosure;
 - 3.2.1.1. Confidential Information shall not be deemed to be public merely because any part of the Confidential Information is embodied in general

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

- 3.2.2. Subsequently becomes publicly known through no fault of the Supplier or the Supplier's representative;
 - 3.2.3. Discovered or created by the Supplier before disclosure by Authority;
 - 3.2.4. Is independently developed by the Supplier without the benefit of any of the Confidential Information as evidenced by written documentation;
 - 3.2.5. Learned by the Supplier through legitimate means other than from the Authority or its representatives;
 - 3.2.6. Disclosed by Supplier with Purchaser's prior written approval.
 - 3.2.7. Required to be disclosed in order to comply with legal mandatory regulations, a judicial or official order or decree, provided that written advance notice of such judicial action was timely given to the Authority.
4. Supplier's representative represent that his undertaking pursuant to the provisions of section 1.1 above shall remain in effect without limitation, even after the termination of its work with the Supplier.

Date

Signature of Supplier Representative

Appendix I: List of Consultants

1. Dr. Omer Dekel, Adv., Sarit Yakuti, Adv. – Legal Advisors.
2. Yoram Oren – Yoram Oren Design & Consulting.
3. Lior Kamil - Innovaton Technologies Ltd.
4. Yehuda Malul, Accountant.

Appendix J: Registration Form for the Tender



מדינת ישראל
State of Israel



Ministry of the Interior
Population, Immigration and Border Authority

Registration for Tender No. 118/2011 for the Supply of a Biometric Matching System

1. Name of company registering for the Tender: _____
2. Country of incorporation of company: _____
3. Contact persons, authorized to represent the company for the Tender:
 - 3.1. _____
 - 3.2. _____
4. Mailing address: _____
5. Telephone number: _____
6. Fax number: _____
7. Email: _____
8. We acknowledge that giving our contact information does not exempt us from the responsibility to update ourselves with regard to notices and clarifications by the Purchaser posted on the Tender's website.

Signature of authorized signatory and corporate stamp

Appendix K: Supplier Registration Form
(Accounting System)

Date: _____

Supplier Registration Form (Accounting System)

Company Details

Company name:	_____	Company ID:	_____
Phone number:	_____	Fax number:	_____
Email:	_____	Company Address:	_____
City:	_____	P.O. Box:	_____
Zip Code:	_____	Country:	_____
Contact name:	_____	Title:	_____
VAT registration #:	_____		

Company stamp and Authorized Signatures: _____

Bank Name:	_____	Bank key:	_____
Bank Address:	_____	Bank Branch name/#:	_____
Bank Branch name/#:	_____	City:	_____
P.O. Box:	_____	Zip Code:	_____
Country:	_____	Phone number:	_____
Fax number:	_____	Email:	_____
Account Number: (maximum 14 positions)	_____	SWIFT code:	_____
IBAN/aba:	_____	Comments: (including remaining Account # digits if any)	_____

Bank Stamp and Authorized Signatures: _____

Appendix L – Key Subcontractor Form

This form must be filled by the prime contractor's project manager or the customer project manager or its biometrics project manager. Please add rows as needed.

מעוצב:גופן: (ברירת מחדל)
Arial

מעוצב:מדרג ממוספר + רמה:
+ 1 סגנון מספור: 1, 2, 3, ...
התחל ב: 1 + יישור: לשמאל +
מיושר ב: 0 ס"מ + טאב אחרי:
1 ס"מ + כניסה ב: 1 ס"מ

מעוצב:גופן: (ברירת מחדל)
Arial

1. I, _____, the undersigned, work for _____ (hereinafter – the "**Company**"), incorporated in _____ of which the corporate identifying number is _____, in the position of _____.
2. _____ corporation, whose identifying number is _____ (hereinafter – the "**Respondent**") has been a subcontractor in a **biometric matching system** project, in _____ (hereinafter – the "**Project**"). The Company is _____ (the prime contractor / customer) in Project.
3. The Project is of the following characteristics:
 - 3.1. The **civil** application of the biometric matching system:

 - 3.2. The Project enables duplicate enrollment detection, using fusion of the following different biometric technologies:
 - 3.2.1. _____
 - 3.2.2. _____
 - 3.2.3. _____
 - 3.3. The project has been in active production from _____ to _____.
 - 3.4. Duplicate enrolment checks are executed on a continuous basis, based on one-to-many matching, throughout the Project's production phase.
 - 3.5. As of date of filling this form, approximate number of biometric records (live biometric data) in the biometric database of the Project is _____.
 - 3.6. Total target number of biometric records, of the Project: _____
4. Respondent's role within the Project [please elaborate and clearly note, in each of the stages, whether **Respondent has been fully responsible for all technical, technological, tuning and optimization, and final performance (including accuracy) issues related to the software of a biometric matching system during the stage**]:

- 4.1. During architecture design: _____
- 4.2. During customization: _____
- 4.3. During installation: _____
- 4.4. During implementation and tuning: _____
- 4.5. During optimization including transition to ongoing production of the final system design: _____
- 4.6. During Production: _____
- 4.7. Project management conducted by Respondent: _____

5. Clarification Comments (optional): _____

6. By signing this form I hereby declare that its content is true.

Signature

מעוצב

5.

מעוצב:כניסה: לפני: 1 ס"מ,
ללא תבליטים או מספור

מעוצב:גופן: (ברירת מחדל)
Arial

6.