

8. Threshold Conditions

Any Participant who desires to submit a Proposal must demonstrate its compliance with all the threshold conditions set forth in Sections 8.1-8.3 below, as well as either the threshold condition in Section 8.4 (Category A) or Section 8.5 (Category B), as of the Deadline for Submission of Proposals:

8.1.

A. The Bidder is a corporation incorporated in the State of Israel (as a company or partnership) or a licensed dealer (“Osek Murshe”) in the State of Israel.

OR

B. the Bidder is an entity (company or registered partnership) duly organized and validly existing under the laws of an Authorized State. In the event that a Bidder which is not incorporated in the State of Israel will be declared as a winning Bidder, the engagement of the Company with such Bidder will be subject to registration of the Bidder in Israel as a Foreign Company or as a Foreign Partnership (as applicable), as these terms are defined in the Companies Law, 5759-1999 or The Partnerships Ordinance [New Version], 5735-1975, respectively.

8.2.

If the Bidder is incorporated in the State of Israel, it holds all the required approvals and certifications as stipulated in the Public Entities Transactions Law, 5736-1976.

8.3.

The Bidder is not in receivership, suspension of proceedings, bankruptcy or liquidation and not facing any pending applications of this kind, or insolvency, nor have foreclosures been imposed on the Bidder’s assets at a rate higher than its shareholders equity.

8.4.

Threshold Condition – MTMS – Category A:
The Bidder, or its proposed subcontractor in the Tender, has developed a MTMS which includes at a minimum, all the MTMS Core Modules, and such MTMS has been in operation in at least 2 *Metropolitan Traffic Control Projects* for at least 2 of the 3 years preceding the Deadline for Submission of Proposals. For the avoidance of doubt, the MTMS may include **additional** modules, including the Non-Core Modules specified in Document C.

8.5.

Threshold Condition – Individual Module(s) - Category B:
The Bidder, or its proposed subcontractor in the Tender, has developed the Individual Module and such Individual Module has been in operation in at least one *Metropolitan Traffic Control Project* for at least 2 of the 3 years preceding the Deadline for Submission of Proposals.

8.6

To the extent that the Bidder meets the threshold requirement of Section 8.4 or Section 8.5 by a subcontractor:

(i) such subcontractor must also meet the conditions stipulated in Sections 8.1 and 8.3 above.

(ii) the Bidder itself must meet the following threshold condition:

The Bidder developed and implemented a command and control system priced at least at USD 1 million (excluding VAT and field equipment costs) in at least 2 different projects in the five years preceding the Deadline for Submission of Proposals.

8.7.

Definitions in relation to the Threshold Conditions in Sections 8.4 and 8.5 above:

8.7.1. MTMS Core Modules:

1. Data Collection and Data Management modules, ~~which include:~~

8.7.1.1. Collection, aggregation & fusion;

8.7.1.2. Information services;

8.7.1.3. Internal data bases);

2. Data Processing and Decision Support System (DSS) modules, ~~which include:~~

8.7.1.4. Incidents and anomalies detection;

8.7.1.5. Traffic indexes and service levels calculation;

8.7.1.6. Decision support for traffic control;

3. Integrated Traffic Control modules, ~~which include:~~

8.7.1.7. User display and control;

8.7.1.8. Integrative traffic strategies & policies;

8.7.1.9. Incidents and events management;

Each as more fully described in Document C of the Tender Documents.

8.7.2. **Metropolitan Traffic Control Projects** shall mean, a project with the following minimum characteristics:

8.7.2.1. Metropolitan population of over 1 million residents;

8.7.2.2. Control and Management of more than ~~35k~~ 20Km highway length with at least 5 interchanges;

8.7.2.3 Control and Management of more than ~~300~~ 150 intersections with traffic lights.

Compliance with sec. 8.7.2.2 can be demonstrated through one project while compliance with section 8.7.2.3 can be demonstrated through a different project, provided that both projects meet the condition in section 8.7.2.1. As the threshold conditions in Section 8.4 requires operation in at least 2 Metropolitan Traffic Control Projects, then a Bidder that demonstrates its experience through separate projects for Sections 8.7.2.2 and 8.7.2.3 is required to present two installations for each project.

8.8.

For the purpose of submitting a Proposal for Category A ~~only~~, the Bidder may be a Joint Venture (as defined below).

“**Joint Venture**” - A non-registered partnership of two or more legal entities, where each one bears responsibility, jointly and severally, to the Bidder's (the Joint Venture's) commitments, including those specified in the Tender Documents. For the

avoidance of any doubt, it is clarified that each member of the Joint Venture is entitled to participate in only one Proposal. Any Proposal submitted by a Joint Venture will be signed by the authorized signatory (ies) from each one of the members of the Joint Venture, to which the stamp of each one of the said Joint Venture members will be affixed.

If a Proposal is submitted by a Joint Venture, then the threshold condition specified in Section 8.1 (A or B) above, must be met by each member of the Joint Venture; the threshold condition specified in Section 8.2 above must be met by the member(s) incorporated in the State of Israel; the threshold condition specified in section 8.3 must be met by each member of the Joint Venture; and the threshold conditions specified in Sections 8.4 or ~~8.5~~ 8.6(ii) must be met by at least one of the members of the Joint Venture. Additional provisions relating to submissions by joint ventures are set forth in Section 10.2.10.

In case a winning Bidder is a Joint Venture, the Joint Venture and all its members shall be jointly and severally liable towards the Company.

8.9

It is hereby expressly clarified that winning Bidders (who shall all be Framework Suppliers), may later form and submit a proposal for a Specific Invitation, as a Joint Venture with additional entities (which all meet the threshold conditions specified in Sections 8.1-8.3 above, and who are not part of any other proposals), as far as the Bidder's holdings in the Joint Venture are at least 50%.