Rev. 03.06.2025

THE ISRAEL ELECTRIC CORPORATION LIMITED

SPECIAL CONDITIONS (FIXED CONTRACTS/ORDERS)

1. DEFINITIONS

As used herein:

A. IEC or Purchaser- shall mean the Israel Electric Corporation Ltd.

B. Goods - shall mean all or part of the goods, described in the tender/inquiry.

C. Supplier/Contractor - shall mean an offeror, who has contracted with Purchaser for the supply of Goods.

D. Contract Value - shall mean the total purchase price of the entire basic scope of supply of the Goods/equipment & services specified in the tender/inquiry documents (not including options), in the currency, designated by the Supplier, as set forth in the Supplier's price proposal or, as negotiated between the parties, whichever is applicable, adjusted in accordance with such formula, if any, as is set forth in the price proposal.

2. PRICES (Relevant for 2nd stage)

Your price bid must be inserted in the "Summary of Prices" forms (Annexure "C"), attached hereto. Your price proposal must relate to the Goods/equipment, as proposed by you during stage 1 of the bidding process (or according to the amended/revised proposal - where applicable), as approved by the IEC and subject to all conditions of approval, if any.

3. TERMS OF TRADE

A. Israeli Bidders must submit their prices, excluding VAT in one of the following Terms of Trade:

- Directly to IEC's stores/site, as specified by IEC (to Orot Rabin Warehouse).

For the avoidance of doubt, Article 3a above, shall apply to Israeli bidders who supply Goods, which are manufactured outside Israel as well as within Israel.

B. Non-Israeli bidders may submit their prices as per definition by Incoterms 2020, issued by the ICC, excluding VAT, in one of the following Terms of Trade: **PLEASE CIRCLE AND FILL YOUR CHOICE**

- DDP - (Delivered, Duty Paid) directly to IEC's stores (See also para. 6 below, for more details regarding supply in Israel).
- DAP - (Delivered At Place) to Israeli port, (See also para. 6 below, for more details regarding supply in Israel).
- FOB - (Free On Board) to ________ (Non-Israeli Port of delivery).
- FCA - (Free Carrier) to IEC's forwarder ________ (nearest port of delivery). In this case, the Goods shall be unloaded by the Supplier in coordination with the Purchaser's freight forwarder at the designated place of delivery at Supplier's risk and cost.

PLEASE NOTE: This information may include "Inside Information" in accordance with Israel's Securities Law, 1968, and making use of this information may constitute a criminal offence pursuant to that Law .Therefore please treat this information as CONFIDENTIAL.

- FCA SUPPLIER'S PREMISES (previously EXworks LOADED) - manufacturer's plant(s) or named place(s) ________, abroad.

Note: Full valid details regarding the above-mentioned Terms of Trade can be viewed in "Annexure R", in IEC's website, via the hyperlink: Terms, Conditions and Annexures - Israel Electric (iec.co.il)

C. Certificates of Origin / Movement Certificates / Invoice Declarations (**to be filled in by Bidder** ____________________:

(May be EUR.1 / EUR-MED / FTA / Non Manipulation Certificate or such other exporter's declaration (invoice declaration) or other necessary certificate of origin dependent on the preferential agreement concluded between Israel and manufacturer's country).

Please fill in above Terms of Trade proposed and forward all required "shipping data" for evaluation of transport costs.

Please Note: Any deviation, from the above requirement for prices to be quoted in one of the "Terms of Trade" as stated above, may result in the disqualification of your proposal.

4. CURRENCY FOR PAYMENT AND PRICE ADJUSTMENT (LINKAGE)

4.1 **Prices shall be fixed in the currency quoted.**

4.2 **Payment to the bidder awarded with the contract will be in the currency quoted.**

Also, for award to an Israeli bidder quoting in foreign currency (other than NIS) - payment shall be in the foreign currency quoted.

Note: In this case Israeli bidder must state in any invoice sent, the sum for payment, both in said foreign currency and in NIS (after being converted in accordance with the representative rate of exchange published by the Bank of Israel - the last known value on date of issue of invoice) – the amount before addition of V.A.T and amount after the addition of V.A.T.

4.3 In two stage-bidding processes, the "Base Date" shall be defined by IEC in the "Prices" (second stage). In the event said base date is not specifically stipulated, the date of submittal of the price proposal shall be the "Base date".

4.4 The Determinative (end) Date for purposes of calculating price adjustment must be (in accordance with IEC's requirements) either the date of scheduled or actual milestone completion (delivery of drawings/Equipment/Services, commissioning or other, whichever is relevant), whichever occurs first.

4.5 For the "base date" and the "determinative date", the last known index/value's on this said date, shall be valid, for all factors of the price adjustment formula.

4.6 In the event the index published by the authorized bodies, changes, (either the manner in which it is calculated and/or the schedule or table number where it shall be published), it is agreed that the schedule or table number replacing it, shall be taken into consideration and/or the manner in which it shall be calculated, shall be as determined by the authorized bodies.

Where the authorized bodies fail to change the index or the calculation, the parties shall enter into negotiations for the said issue, until the issue is mutually resolved, by the parties.

4.7 Price adjustment shall be invoiced on separate price adjustment invoices, which shall be submitted together with the corresponding relevant invoices for the basic contract price of equipment. Such price adjustment invoices shall be accompanied by documents evidencing the relevant officially published indices on the determinative date and the method of calculating the invoiced sums of price adjustment.

4.8 Should a change in the value added tax occur (hereinafter: "the Change") during the relevant linkage period as defined and according to the order, the effect of the Change on the index shall be deducted for calculation purposes of the price increases or changes as specified in the order.

4 RESERVED

5 SPECIFIC INSTRUCTIONS AND TERMS FOR HANDLING OF GOODS SUPPLIED TO ISRAELI PORT BY NON-ISRAELI CONTRACTORS

The following terms shall apply to Suppliers in order to fulfill and facilitate the requirement(s) that the Goods be supplied DDP, DAP or DAT (the latter as defined by Incoterms 2010), in as far as Non-Israeli Suppliers are concerned:

A. As Contractor is responsible for the freight, transshipment is not permitted, unless Purchaser's prior written approval has been given.

B. The bill of lading/airway bill shall be made out to the order of the Purchaser as consignee through/ care of /notify* (Israeli company, agent or persons designated by the Contractor for purposes of release from customs).

C. The import entry (import declaration) shall be in the name of the Purchaser through/ care of /notify* (Israeli company, agent or persons designated by the Purchaser for purposes of release from customs).
* To be determined by the Purchaser's customs clearance broker, if the customs clearance is to be made by or under the responsibility of Purchaser.

D. In the case of DAP, the Contractor undertakes to utilize the services of the Purchaser's designated customs clearance broker for purposes of release of the equipment from customs.
For DDP/DAT (the latter as defined by Incoterms 2010), the Contractor may employ the services of any customs clearance broker, of its choice.

E. Upon arrival of the Goods at the port of destination, the Contractor shall contact IECs representatives, if necessary to coordinate the release of the Goods from customs/port.

F. VAT shall be paid by IEC.

G. On arrival at the Israeli port, after customs release, the Goods shall be loaded by the Contractor's (or appointed customs clearance broker / forwarding agent) at Contractor's risk and cost onto open trucks for transportation to IEC stores.

6 "KNOW-HOW" AGREEMENTS where applicable

A. The award of an order to a bidder is conditioned upon the validity and fulfillment of the terms of such bidder's "know-how" agreement, as presented by bidders in the course of stages 1 and 2 of this tender.

B. The IEC shall have a right to cancel at any time, any order/contract, placed with the winning bidder, in the event that such bidder's "know-how" agreement is cancelled, abrogated or otherwise not fulfilled, during the life of IEC's contract with the bidder.

7 DELIVERY SCHEDULE

The required date for the delivery of the Goods is within 34 weeks of issuance of the order.
(Please state / fill in below whether able to meet delivery schedule requirement).

Can Bidder meet above stated delivery schedule? _________ (Yes or No)

(If "No" - Bidder shall state the closest delivery schedule it is able to meet).

Within _________ days lead-time from IEC's order/LOI.

- For deliveries overseas in Europe, subtract 30 days from the required date for delivery.
- For deliveries overseas in the US or the Far East, subtract 60 days from the required date for delivery.
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8 PACKING, HANDLING, STORAGE

Packing of Goods must be according to standard Manufacturer's instructions, taking the necessary precautions for transportation (by sea, if relevant).

9 FINANCING- NA

10 CONFLICTING TERMS

In the event that any term or condition in this document conflicts with any term or condition, set forth in any other document, the term/condition, set forth in this document, shall prevail.

11 DOCUMENTS FOR PROPOSALS

The following documents must be submitted with the proposal:

- Annexure "C" (List of required items) including P/N (manufacturers catalogue No. or model No.), duly filled in and signed.
- Offeror's consent to terms & conditions, including bidder's/offeror's data sheet duly filled in and signed.
- Bidder's required responses, regarding the following Terms:
  * Intended "Mode of Supply".
  * Ability to meet the required delivery schedule.
- Any other document as mentioned in the Invitation document in Article 7.

12 WARRANTY

12 months from Delivery.

End.