



FORM OF FRAME AGREEMENT

(10.2025)

following RFP no. 103960630

THIS AGREEMENT is made in _____, _____ this
_____ day of _____, 202_, by and between:

THE ISRAEL ELECTRIC CORPORATION LIMITED, a corporation registered in Israel,
having its registered office at 1 Netiv HaOr Street, Haifa, Israel (hereinafter referred to as the
“Purchaser”) of the one part and,

_____, a company registered in
_____ and having its _____ office
at _____ (hereinafter
referred to as the “Contractor”, which expression shall be deemed to include its successors and
permitted assigns) of the other part;

PREAMBLE

- A.** WHEREAS, the Purchaser intends to purchase and install **Substation Control and Protection Systems (SCPS)** in **new Substations or Switch stations** in Israel (hereinafter the “Site/s”), to be known as **STR-1858** (hereinafter the “Assembly/Unit(s)_____”); and
- B.** WHEREAS, the Contractor agrees to provide design, development, manufacture, tests, delivery of equipment, training, supervision of installation & commissioning, recommended spare parts and special tools (if necessary) and as hereinafter specified for said Assembly/Unit(s);

NOW THEREFORE, THIS AGREEMENT WITNESSETH as follows:

1. The preamble and the following documents attached hereto shall constitute an integral part of this Agreement, and the Purchaser and the Contractor (hereinafter referred to each as a “Party” and together as the “Parties”) shall observe and abide by them:

ANNEXURE “A16” General Conditions for the Purchase of Equipment and Related Services, dated [October 2025](#);

ANNEXURE “B” Specification [STR-1858](#), (hereinafter the “Specification”) including;
- [Technical requirements of the Specification](#)
- [Supplements \(Appendix 1-20\)](#)
- [Summary of Data sheet \(Questionnaire\) filled in](#)

ANNEXURE “C” Contractor's Proposal including:
- Summary of Prices;
- Price proposal;

ANNEXURE “D” Special Conditions.

ANNEXURE “E” Guarantees for the due performance of the Contract:

ANNEXURE “F” reserved.

ANNEXURE “G” Parent Company Guarantee (where applicable);

ANNEXURE “J” reserved.

ANNEXURE “K” Security Appendix;

ANNEXURE “L” Insurance Requirements;

ANNEXURE “N” Conditions for the Provisions of Contractors Personnel’s On Site Services;

ANNEXURE “P” Preference to Suppliers of Israeli Manufactured Goods (where applicable);

ANNEXURE “R” Delivery, Shipment and Handling;

ANNEXURE “S”	Safety conditions for Work at IEC's premises;
ANNEXURE “U”	Industrial Co-operation Undertaking (ICA appendix);
ANNEXURE “W”	Consent to Terms;
ANNEXURE “X”	Financing (where applicable);
ANNEXURE “Y”	List of Potential Guaranteeing Banks and Israeli Insurance Companies;
ANNEXURE “Z”	Flexible framework contracts/orders Conditions
FORM 1	Certificate of Milestone Completion (where applicable);
FORM 2	Certificate of Acceptance (where applicable);
FORM 3	Reserved
FORM 4	Reserved
FORM 5	Quality Control Certificate (where applicable);

All the above documents as revised for Contract _____ 2026.

This Agreement and the said attached Annexures constitute and are hereinafter referred to, collectively, as the “Contract”.

The Contract documents are considered complementary to the extent that provisions set forth in one document are *mutatis mutandis* binding in all documents. In the event there are any conflicting provisions or requirements in the Contract documents, the documents shall prevail in the following descending order:

- (i) This Agreement, subject to changes in accordance with Annexure “Z”
- (ii) Annexure “A16”, subject to changes in accordance with Annexure “Z”
- (iii) Annexure “B”
- (v) All other documents – except for Annexure “C” which is made part of the Contract only insofar as it is consistent with the other Contract documents.

2. In consideration of the payments to be made by the Purchaser to the Contractor as specified in the Contract, the Contractor hereby covenants with the Purchaser that the Contractor shall duly and timely: provide, manufacture and deliver [Substation Control and Protection Systems \(SCPS\) or loose / partial equipment](#) thereof (hereinafter “Equipment” or “Equipment Package”) as further defined in Article 1 of Annexure “A16”); and carry out all the other elements of the Work; all as further defined in Article 1 of Annexure “A16” and subject to all the terms and conditions of the Contract.
3. (a) The Purchaser, in consideration of the undertakings of the Contractor and of the faithful accomplishment of the Work, agrees subject to Subclause (b) below, to pay to the Contractor the sum of _____, being the price of the Equipment Packages for all Assembly/Units (hereinafter “Basic Contract Price”), as further detailed in the Contract.

(b) Reserved
4. (a) In addition to the basic scope of Work specified in Clause 3 above, the Purchaser shall have the following options:
 - (i) to purchase additional necessary appurtenances / accessories, in accordance with the itemized prices set forth in Annexure “C” as further detailed therein, for an estimated allocation of _____;
 - (ii) to render on Site supervision and training services (hereinafter “On Site Services”); and / or supervision of unloading from the ship and transportation to site, of personnel provided by Contractor, employed by Contractor (hereinafter “Contractor's Personnel”) or other services, for the basic scope of Work and for the additional optional equipment detailed in sub-clause 4(a)(i) above, if exercised, as shall be requested by the Purchaser, if any, at the *per diem* rates specified in Annexure “C” as further detailed therein, for an estimated allocation of _____(hereinafter referred to as the “Price for On Site Services”).
 - (iii) to purchase Spare Parts and/or Special Tools, in accordance with the itemized prices set forth in Annexure “C” as further detailed therein, for an estimated allocation of _____;

(iv) to purchase any other option(s) as mutually agreed between the parties in accordance with the itemized prices set forth in Annexure “C” as further detailed therein, for an estimated allocation of _____ ;

(b) In the event any of the aforesaid options is exercised by the Purchaser, the terms and conditions of this Contract shall apply *mutatis mutandis* to the option exercised.

5. Subject to the provisions of Article 4 of Annexure “A16” (Change Orders), and except as may otherwise be expressly provided for in the Contract, all the above prices are firm and shall neither be subject to adjustment nor be affected by any variation in the cost of materials, labor, or transport or any costs of conforming with any laws, orders or regulations of any Government or local or other authority or for any other reason.

6. The Basic Contract Price shall be amended to include the price of Change Orders. The Basic Contract Price together with the Price for On Site or other Services, Spare Parts and Special Tools - all with price adjustment (if any), shall hereinafter be referred to as the “Contract Price”, and shall be paid in accordance with Article 18 of Annexure “A16”.

7. [Remark: the following shall apply unless otherwise specified by Purchaser prior to submission of price proposal] The following provisions (hereinafter “Special Conditions”) shall apply to the respective contractual variables:

(a) With respect to the Warranty Period(s) as specified in Sub-article 16.3 of Annexure “A16”:

(i) WP1 is 36 months; WCO1 is 60 months;

(ii) WP2 is 36 months;

(Note: For purposes of this Contract the abbreviation WP means “Warranty Period”, WCO means “Warranty Cut-off”; suffix 1 refers to Equipment, and suffix 2 refers to Spare Parts)

(b) With respect to the Terms of Payment as specified in Sub-article 18.3.1 of Annexure “A16”

(i) DP is 0%; RE is 0%;

(Note: For purposes of this Contract the abbreviation DP means “Down Payment”, RE means “Retention Payment.”)

(c) With respect to the rates of Liquidated Damages for delays as specified in Sub-article 11.2 of Annexure "A16", and the limit specified in Sub-article 24.1.3.2 of Annexure "A16":

(i) reserved.

(ii) LD2A is 1%; LD2C is 10%

(iii) reserved.

(Note: For purposes of this Contract the abbreviation LD2 refers to Deliveries and LD1 for Critical Documents, LD3 for Acceptance and LD4 for Services, are not applicable.

(d) Without derogating from any specific contractual provision, the Equipment, Spare Parts and Special Tools shall be delivered in accordance with the following INCOTERMS 2020 terms of delivery:

(i) from non-Israeli Contractors, supplied by ocean freight –

- DDP - (Delivery Duty Paid) to IEC's store / site, or

(ii) from Israeli Contractors, supplied directly to IEC store / site.

8. The Contract is subject to the approval of the competent Israeli governmental authorities.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE HEREUNTO SET THEIR HANDS ON THE DAY, MONTH AND YEAR FIRST AFOREWRITTEN.

THE ISRAEL ELECTRIC CORPORATION LTD.

BY _____ ATTEST _____

BY _____ ATTEST _____

_____ COMPANY

BY _____ ATTEST _____

BY _____ ATTEST _____