



Confidential - Commercial

FRAME TENDER NO.: **103960630**
SPECIFICATION NO.: **STR-1858**
SUBJECT: **Frame agreement for supply of Substation Control and Protection Systems (SCPS)**

ANNEXURE "Z"
CONDITIONS FOR FRAME CONTRACTS/ORDERS
Five years Basic Frame Contract Period)
Edition 12.03.2024 (revised 10.2025)

THESE CONDITIONS ARE TO BE READ TOGETHER WITH AND IN CONNECTION WITH THE PURCHASE ORDER/CONTRACT (INCLUDING THE GENERAL CONDITIONS (ANNEXURE A16) ATTACHED THERETO. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THESE CONDITIONS AND ANY OF THE TENDER/INQUIRY/CONTRACT DOCUMENTS THESE CONDITIONS SHALL PREVAIL.

DEFINITIONS

1. All terms used in this Annexure "Z" have the meanings ascribed to same in the Purchase Order/Contract or in Annexure A (General Conditions) as the case may be. Additional terms used shall have the following meanings:
 - 1.1. "Basic Contract Price" – unless specified otherwise in this document, shall mean the total purchase price of the entire quantity (100%) of the Equipment, specified in the tender/inquiry documents (not including options) and flexibilities, in the currency, designated by the Supplier and approved by the Purchaser.
 - 1.2. "Basic Frame Contract Period" - shall mean a period of 60 months, beginning on the date specified in the frame contract/order for the supply of the Equipment.
 - 1.3. "Option Period" – shall mean the total period during which the Purchaser shall be entitled to exercise the Options in whole or in part. (N / A in this RFP)
 - 1.4. "Equipment and/or Services" - shall mean all or part of the equipment and/or Services, described in the Order/Contract.

2. FRAME ORDER/CONTRACT FLEXIBILITIES

2.1. PRICE OF THE PURCHASE

During the Basic Frame Contract Period (and the “extension period”, detailed in paragraph 2.2.1.1, below, if applicable), the Purchaser will purchase from the Supplier and the Supplier will sell to the Purchaser, Equipment and/or Services of a total price, which is equal to the “Basic Contract Price”, including the Purchaser's right to increase the Basic Contract Price by up to 60% or decrease the Basic Contract Price by up to 40%.

2.2. EXTENSION PERIOD AND OPTION TO PURCHASE

2.2.1. During the Basic Frame Contract Period, the Purchaser shall be entitled to exercise any one of the following options described below:

2.2.1.1. In the event the Purchaser does not issue draw orders for Equipment and/or Services in the maximum permissible amount (including flexibilities), during the Basic Frame Contract Period specified in the Contract/Order and below, the Purchaser has the right to extend the Order/Contract for a period of time of up to 24 months (hereinafter referred to as the "**Extension Period**"), each time for a period of one year.

2.2.1.2. Reserved.

2.2.2. In no event shall the total Order/Contract period (including the Basic Frame Contract Period and Extension Periods) exceed 84 months from the beginning of the Basic Frame Contract Period.

2.2.3. Reserved.

2.2.4. Exercising one of the options listed under sub article 2.2.1 above, shall be made by a written notice, no later than one month prior to the end of the Basic Frame Contract Period or the Extension Period, as the case may be.

2.2.5. Reserved.

2.2.6. Refusal of the Supplier to exercise the Option for Extension Period in time will be considered a breach of the Order/Contract for all intents and purposes, and will entitle the Purchaser to the remedies set forth in the tender/ inquiry documents, including exercising the performance guarantee provided by the Supplier in accordance with the instructions of the inquiry /tender documents, (to the extent that a performance guarantee is required according to the terms the tender/ inquiry), as well as the remedies according to the law.

3. **SCHEDULE OF DELIVERY**

3.1. The Equipment and/or Services shall be supplied to the Purchaser in accordance with written draw orders, issued by the Purchaser to the Supplier. The draw orders will be issued by the Purchaser at such times as it chooses, within the Basic Frame Contract Period or the “Extension Period”.

3.2. Each draw order shall specify the type/s and quantities of Equipment and/or Services, required by the Purchaser and the Supplier shall deliver to the Purchaser such type/s and quantities as required according to the following:

3.2.1. Prototype/s to be approved by Purchaser prior to delivery

- Delivery within 120 days before delivery of first draw order.

3.2.2. First draw order

- Delivery within 180 days of issuance of the draw order, after IEC's appointed authority's approval of required Type Tests (to be completed no later than within two months), for the beginning of production and delivery.

3.2.3. For all other draw orders

- Delivery within 90 days of issuance of the draw order.

3.2.4. Please indicate below ability to meet required lead time for delivery.

Can Bidder meet above stated delivery schedule?	(Yes or No).
If “No” - Bidder shall state the closest delivery schedule he is able to meet	_____ days lead time from IEC’s order.

3.3. The time interval between each draw order shall not be less than 30 days .

3.4. The Purchaser reserves the right, prior to proceeding to the second (pricing) stage of the abovementioned tender/inquiry, to modify or update the abovementioned schedule of delivery and lead time.

4. **QUANTITIES TO BE PURCHASED**

Subject to the Purchaser’s obligation to purchase Equipment and/or Services in the quantities specified in paragraph 2.1, above:

4.1. In the event that the Equipment and/or Services consist of various, non-identical items, the Purchaser shall have a right to purchase some of the items and not the others.

4.2. Reserved.

4.3. The maximum quantity for each draw order shall not exceed 50 units.

4.4. The Purchaser reserves the right, prior to proceeding to the second (pricing) stage of the abovementioned tender/inquiry, to modify or update the quantities.

5. PERFORMANCE GUARANTEE

5.1. Where the value of the Order/Contract is in excess of NIS 2,000,000 (excluding options and/or flexibilities and/or VAT) or the equivalent of the foreign currency in NIS (in accordance with the applicable exchange rate, as set forth by the Bank of Israel, on the first working day prior to the date of submission of the price proposals to the tender/inquiry) and without in any way derogating from Supplier's duty to perform its obligations under the purchase Order/Contract, the Supplier shall, at its expense, within 30 (thirty) days from the issuance of an Order, provide the Purchaser with a guarantee for the due performance of the Contract/Order, in the form of an unconditional standby letter of credit (in the form, attached to the tender/inquiry documents), to be given by the entities stated in Annexure Y, in an amount equal to 5% (excluding options and/or flexibilities and/or VAT) of the annual value of the Contract/Order Price.

5.2. In the event of an extension of the "Basic Frame Contract Period" in accordance with paragraph 2, above, the Supplier shall deliver to the Purchaser, within the first fourteen days of the "Extension Period", an extension of the performance guarantee for an additional period equal to the Extension Period.

5.3. Reserved.

5.4. The guarantee shall remain in effect until sixty (60) days after the warranty period or in the event there is no warranty period, the guarantee shall remain valid up to 60 days after the last date of delivery

5.5. Reserved.

6. "KNOW-HOW" AGREEMENTS

- 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.

The end.