

MUNICIPALITY OF HERZLIYA
CALL FOR PROPOSALS FOR FINDING STRATEGIC PARTNER/S
IN THE AREA OF SMART CITIES
AT THE HERZLIYA ACCELERATOR CENTER

1. The Herzliya Municipality (hereinafter: "**the Municipality**") hereby invites entities that wish to serve as strategic partners for the fifth cycle of the activities of the Herzliya Accelerator Center of the Municipality (hereinafter: the "**Activity Cycle**" and "**HAC**", respectively), which will last between 3 and 5 months and is intended to deal with the subject of "Smart Cities."

The Municipality wishes to receive such proposals in relation to two types of partnerships: the first, from entities with know-how, experience and actual activity in the area of technology in connection with the activity of the HAC (i.e. "Smart Cities") (hereinafter: "**the Technology Partner**"); and the second, from business entities with a real ability to finance the Activity Cycle and / or pilot programs that will be performed by the participants at the end of the Activity Cycle (hereinafter: "**the Business Partner**") (the Technology Partner and the Business Partner, who will be selected in this phase, to be referred to below as the "**the Partner/s**").

2. The HAC is intended to promote start-up companies just starting out, and whose founders are from all over the country, in technological and business development, up to the Proof of Concept (POC) phase and / or a pilot program. Within HAC technological and other solutions are developed for improving and streamlining the services provided by the local authority to the urban population in particular, and to improve life in the urban space in general (hereinafter: "**the Entrepreneurs**" and "**the Program**", respectively).
3. In order to implement the plan and achieve its objectives, as detailed in the above summary, it is required, among other things, that the entity or entities that are chosen to participate as partners in the program, in accordance with this Call for Proposals, will provide the following services:
 - 3.1 Each partner shall provide the program with a representative on its behalf, who is a senior manager of the partner organization, and who has an extensive view of the partner organization, access to the partner's management, and is acquainted with all of the departments and activities of the partner (hereinafter: "**the Representative**").
 - 3.2 The representative will act as a liaison with the HAC and will coordinate the activities of the entrepreneurs with the departments of the partner organization.
 - 3.3 Each Partner will grant the entrepreneurs technological support (the technology partner) or business support (the business partner), as relevant, which is applicable to the entrepreneurs, inter alia, through the various departments existing with the partner and in accordance with the other commitments of the partners, as detailed below in this Call for Proposals.
 - 3.4 Each Partner shall assist in advertising and marketing the program, as required.
4. It is also clarified that:
 - 4.1 The partners will participate, together with the HAC, in defining the professional criteria for the entrepreneurs, who will be accepted for the Activity Cycle and in the screening process of the entrepreneurs, which includes a number of stages, including a digital stage and a stage of frontal interviews.
 - 4.2 The partners will participate, together with HAC representatives, in periodic status meetings that take place throughout the entire Activity Cycle, and will be exposed to the progress of the projects in the development process.
 - 4.3 The partners will take part in the opening event of the Activity Cycle and at the closing event of the Activity Cycle, which include all the other parties involved in the program, including

Municipality representatives, the HAC director, members of the HAC Advisory Board, entrepreneurs, mentors, content partners and the like.

Within the framework of events at the opening and closing events of the Activity Cycle, each partner will be entitled to speak, subject to the schedule of events mentioned above.

- 4.4 The partners will be entitled to mention their details along with the name of the program and the details of the Municipality (HAC), and in addition to incorporate the logo and slogan of the partners together with the Municipality's logo, in all official publications and / or correspondence related to the Activity Cycle, including in conferences and delegation visits (if any).
 - 4.5 Naturally, the partners will be exposed to the entrepreneurs and projects that are candidates for the program and to all those participating in the Activity Cycle (entrepreneurs who are usually just starting out).
 - 4.6 The partners will also have access to the data of the participants in the Activity Cycle and to the activity reports during it, as will be transferred directly to them by the Program Manager, subject to the provisions and limitations of the law regarding databases and subject to HAC documents regarding the duty of confidentiality in respect of classified business information belonging to third parties.
 - 4.7 It is hereby clarified that the entrepreneurs have no obligation, legally and / or contractual and / or otherwise, to enter into an agreement with the Municipality and / or with any of the partners and vice versa, and the Municipality and / or any of the partners have no such obligation toward any of the entrepreneurs in the Activity Cycle.
5. Parties wishing to serve as technology partners in the Activity Cycle, as stated in this application, will comply in their own right with all of the cumulative professional threshold requirements, as detailed below:
- 5.1 The applicant has experience in technological activity related to the area of "Smart City" during at least the last 3 (three) years prior to publication of this application.
It is clarified that the term "technological activity" shall not include the provision of consulting services only.
 - 5.2 The applicant is engaged in the provision of IT services and infrastructure for local authorities, including the characterization and development of core systems, for at least 3 (three) local authorities including at least 2 (two) local authorities that are municipalities (and specifically no other type of local authority) with at least 60,000 (sixty thousand) residents (according to the publication of the Central Bureau of Statistics).
 - 5.3 As part of the applicant's activity, there is the ability to conduct a pilot program by the participants in the Activity Cycle ("the entrepreneurs"), both on the basis of the information and / or knowledge existing in the area of "Smart City" and on the basis of services provided by the applicant to local authorities (and accordingly, the ability to maintain such a pilot program within the framework of that local authority).
 - 5.4 Within the framework of the applicant, a research and development body operates as an integral part of the applicant organization (in the sense of the existence of employer-employee relations between the applicant and the employees employed in the said development body).
6. Parties wishing to serve as business partners in the Activity Cycle, as stated in this application, will comply in their own right with all of the cumulative professional threshold requirements, as detailed below:
- 6.1 The applicant has experience in business activity related to the area of "Smart City", during at least the last 3 (three) years prior to publication of this application.

It is clarified that the term "business activity" shall not include the provision of consulting services only.

- 6.2 The applicant shall offer to participate in financing the cost of the current budget of the Activity Cycle in an amount not less than NIS 70,000 (NIS seventy thousand) (with the balance of the current budget to be financed by the Municipality).

In order to remove any doubt, it is clarified that 2 (two) business partners may be selected in the Activity Cycle and accordingly, the amount of the investment of the applicant (the bidder) may change, taking into consideration the cost of the current budget, at the discretion of the Municipality.

- 6.3 The applicant undertakes to finance, at the end of the Activity Cycle, 3 (three) pilot programs with reference to projects of participants in the (additional) Activity Cycle in the sum of NIS 75,000 (NIS seventy-five thousand) (on the basis of NIS 25,000 (NIS twenty-five thousand) for each pilot program), insofar as the said projects will be prepared to implement the pilot program and will be approved by the Advisory Committee of the program as well as by the applicant itself.

7. In addition, and without derogating from the professional threshold conditions, as stated in Section 5 above and / or in Section 6 above (as the case may be), the parties wishing to serve as partners in the Activity Cycle, as stated in this application, will comply in their own right with all of the cumulative administrative requirements, as detailed below:

7.1 The applicant is a legal entity of a type of corporation (a company / association / partnership) registered in Israel and / or an authorized trader duly registered in Israel and / or a government entity and / or a corporation established by law.

7.2 The applicant holds a Certificate of Management of Accounting Books and Records pursuant to the Public Entities Transactions Law (Enforcement of Bookkeeping), 5736 – 1976, valid at the date of submission of the application.

7.3 **Regarding applicants who are not associations or companies for the benefit of the public** - the applicant is registered as an "authorized trader".

7.4 **Regarding applicants who are associations or companies for the benefit of the public** - the applicant holds a Certificate of Proper Management from the Corporations Authority.

7.5 The applicant does not operate under a Receivership Order and / or a Stay of Proceedings Order and / or liquidation proceedings (including voluntary liquidation), including within the framework of temporary injunctions as aforesaid.

7.6 The applicant does not owe, at the date of submission of the application, any debt and / or payment to the Municipality in connection with existing agreements and / or previous agreements with the Municipality.

7.7 There is no conflict of interests between the applicant and the Municipality. It should be clarified that the Municipality's engagement with the applicants is subject to this condition and the declarations of the applicants.

It is emphasized that the conditions enumerated in Sections 7.1 to 7.6 (inclusive) above are cumulative.

8. **It is hereby clarified and emphasized that no application may be submitted to this Call for Proposals by a number of applicants jointly (whether as part of a joint venture relationship, or as a contractor or subcontractor or in any other manner).**

However, it is hereby clarified that applicants who meet both the professional threshold requirements required of the technology partner (as stated in Section 5 above) and the professional threshold

requirements required of the business partner (as stated in Section 6 above) will be entitled to submit bids with regard to both aforesaid types of partners.

9. Content of the Application

Applicants must submit applications that correspond to the instructions of this Call for Proposals, by e-mail, to irisa@herzliya.muni.il, by July 18th, 2018 (date) at 24:00 (hour). Proposals submitted after the above date will not be accepted and will not be discussed. **No proposals should be sent by mail and / or submitted by personal delivery at the offices of the Municipality City Offices and / or the offices of the HAC.**

Applicants are required to receive an indication that the above e-mail message (a message containing the applicant's proposal) has been received.

Applicants must attach to their application all the documents listed below:

- 9.1 "Company profile", including details of the type of legal entity of the applicant (company / partnership / association / authorized trader, etc.), including a statement of description of years of seniority, areas of occupation, etc., as well as the full address of the applicant, including the telephone number and e-mail address of the contact person on behalf of the applicant.
- 9.2 **If the applicant submits a proposal to serve as a technology partner** - all the documents that verify the applicant's compliance with the conditions of Section 5 above shall be attached, including:
 - 9.2.1 Details of the applicant's experience in technological activity related to the "Smart City" area.
 - 9.2.2 Details of the local authorities (specifying which of them is a "city" and the number of residents of each of them) for whom the applicant provides IT services and infrastructure, including core systems.
 - 9.2.3 Details of the applicant's ability to conduct a pilot program by the participants in the Activity Cycle within the framework of the applicant itself and on the basis of the information and / or knowledge in its possession in the area of "Smart City" and based on services provided by the applicant to local authorities.
 - 9.2.4 Details of the research and development body that constitutes an integral part of the applicant organization, as well as information about the employees of the applicant organization.
- 9.3 **If the applicant submits a proposal to serve as the business partner** - all the documents that verify the applicant's compliance with the conditions of Section 6 above shall be attached, including:
 - 9.3.1 Details of the applicant's experience in business activity related to the "Smart City" area.
 - 9.3.2 A monetary proposal for the amount of participation in financing the cost of the current budget of the Activity Cycle, which shall not be less than the amount stated in Section 6.2 above. Please fill in **Form Number 1 - Price Quotation Form**.
 - 9.3.3 Financial commitment to finance 3 (three) pilot programs for projects of participants in the Activity Cycle, at the end of the Activity Cycle, in an (additional) budget as proposed by the applicant and not less than the amount specified in Section 6.3 above.
- 9.4 **Insofar as the applicant is a company / association / registered partnership** - an up-to-date copy of the incorporation documents of the corporation and including a Certificate of Incorporation approved by the applicant's attorney or accountant as well as their confirmation

of the persons authorized to sign on behalf of the applicant and to bind the applicant by their signature, for confirmation of the aforementioned condition in Section 7.1 above.

- 9.5 Copy of a valid and up-to-date Certificate of Management of Accounting Books and Records as of the date of submission of the application, for confirmation of the aforementioned condition in Section 7.2 above.
- 9.6 **Insofar as the Applicant is not an association or a company for the benefit of the public** - a valid and up-to-date certificate regarding the applicant being registered as an authorized trader, for confirmation of the fulfillment of the conditions stated in Section 7.3 above
- 9.7 **Insofar as the Applicant is an association or a company for the benefit of the public** - a copy of the Certificate of Proper Management (from the Corporations Authority) valid and up-to-date as of the date of submission of the application, for confirmation of the condition stated in Section 7.4 above.
- 9.8 An affidavit by an authorized party of the applicant, duly prepared and verified, detailing whether the applicant is operating under a Receivership Order and / or a Stay of Proceedings Order and / or liquidation proceedings (including voluntary liquidation), including within the framework of temporary injunctions as aforesaid, or not, for confirmation of the condition stated in 7.5 above.
- 9.9 An affidavit by an authorized party of the applicant, duly prepared and verified, stating that the applicant does not owe, at the date of submission of the application, any debt and / or payment to the Municipality in connection with existing agreements and / or previous agreements with the Municipality, in proof of the condition stated in Section 7.6 above.
- 9.10 A declaration and undertaking regarding conditions of disqualification and absence of a conflict of interests on **Form Number 2**, in proof of the condition stated in Section 7.7 above.

10. **Handling applications**

- 10.1 A decision regarding applications for partnership between the Municipality and the HAC and the participants in this process, as stated in this application, will be accepted at the sole discretion of the Municipality, in a manner that maximizes the benefits of the program and takes into account the public aspect of the project.

It should be clarified that all proposals submitted in accordance with this Call for Proposals will be examined by a professional committee within the framework of the HAC, which will include the Director of the HAC, a representative of the HAC Advisory Board and a representative of the Municipality. The professional committee will make a decision regarding the technological partner in accordance with the analysis of the proposal submitted by the applicants in this regard and its evaluation of the quality of the proposal and the applicant. The above decision of the professional committee regarding the business partner will be made on the basis of a similar assessment of the applicant and its proposal, including its monetary proposal as required in this application.

In addition, it is emphasized that a condition precedent for any proposer winning this application process and / or the entry into effect of the Municipality / HAC contract with the aforementioned winner is the signing of an agreement directly between the Municipality (HAC) and the above entity, in the text attached to the Call for Proposals documents, as an integral part of it.

- 10.2 It is emphasized that the Committee will discuss only applications that meet all the threshold conditions as detailed in Section 5 above and / or in Section 6 above (as the case may be), **and in addition all** the threshold conditions as detailed in Section 7 above, to which are attached all the appropriate documents and in accordance with the provisions of Section 9 above.

- 10.3 The Municipality wishes to emphasize that the Municipality does not undertake to accept the proposal in the framework of which the highest monetary consideration will be offered, or any offer whatsoever.
- 10.4 It is hereby clarified and agreed upon by the participants in this process that the participants shall have no grounds and / or demand and / or claim against the Municipality in the event of termination and / or cancellation of this process and / or cessation and / or cancellation of the program and /or the Activity Cycle, at any stage, and / or in the event that failure to obtain products at certain qualities within the framework of the program.
- 10.5 Without derogating from the provisions of Section 10.2 above, it is emphasized that in the framework of this Call for Proposals, it is possible that 2 (two) business partners may be selected **in addition to** the Technology Partner.
- 10.6 The Municipality shall inform the applicants of its decision and its reasons.
- 10.7 Applicants who wish to receive further information regarding this Call for Proposals should contact the Herzliya Municipality Technological Entrepreneurship Center (HAC) with questions and / or clarifications, via e-mail irisa@herzliya.muni.il, until July 12th 2018.
- 10.8 It is emphasized that wherever reference is made in the male form, it also refers to the female form.

Iris Arbel-Ganz, Director

HAC – Herzliya Accelerator Center

Price Quotation Form - Call for Proposals - Smart Cities

(To be filled in only by a bidder who is a business partner)

Name of the Bidder: _____ Corporation / Authorized Trader No: _____

For the Bidder's attention, no comments whatsoever may be added to the Price Quotation Form and / or the quotation may not be made conditional on any conditions whatsoever and / or changes.

For the Bidder's attention, the minimum financial bid is NIS 70,000 (not including VAT) (in addition, the business partner will be required to comply with the provisions of Section 6.3 of the Call for Proposals documents).

We hereby undertake that, if our bid is chosen, we will transfer to the Municipality the sum of NIS _____ (in words: _____ new Israel shekels) not including VAT.

Signature of authorized signatory: _____

Attorney's Certification

I the undersigned, _____, Adv. (Registered No. _____), of _____ Street, _____, hereby certify that on _____ (date), the above Quotation Form submitted on behalf of _____, ID No. _____ (hereinafter: "**the Bidder**") was signed before me by Mr. / Ms. _____, ID No. _____ and Mr. / Ms. _____, ID No. _____, who are authorized and qualified pursuant to the Bidder's founding documents and pursuant to any law to obligate the Bidder by their signature for all intents and purposes.

Signature and Stamp of Attorney

To:

Municipality of Herzliya (hereinafter: "the Municipality")

Declaration and Undertaking regarding conditions of disqualification and absence of a conflict of interests

1. I, the undersigned _____, ID No. _____, who serves as _____ with the Bidder _____, hereby declare and undertake as follows:

1.1 I am the authorized signatory on behalf of the Bidder, after conducting an examination and investigation to the best of my ability, I declare and warrant that I by myself and / or my family members and / or any of the employees and / or the Bidder and / or anyone employed by a person who will provide services on behalf of the Bidder, do not have any personal, economic or other interest that is likely to be in a conflict of interests and / or a concern for a conflict of interests with the interests of the Municipality or its activities, or create a suspicion of such a conflict of interests.

Confirm the provisions of Section 1.1 Do not confirm the provisions of Section 1.1

1.1.1 The Bidder and / or anyone acting on his behalf was convicted of an offense involving moral turpitude, or the court determined that he committed an offense involving moral turpitude and less than five years have elapsed from the date on which the sentence was handed down, or was sentenced to prison from the date of concluding the sentence, whichever the later;

Yes No

1.1.2 The Bidder and / or anyone acting on its behalf served as a member of the Council or as the Mayor of the Municipality, and 3 years have not yet elapsed since the date of termination of office or from the date on which the term of office of the Council in which he served was terminated;

Yes No

1.1.3 The Bidder and / or anyone acting on his behalf was a candidate in the municipal elections or for membership in the Municipal Council and 18 months have not yet elapsed since the day of the elections in which the candidacy was submitted;

Yes No

1.1.4 Between the activities of the Bidder and / or anyone acting on his behalf and the actions of the Municipality, actions are carried out that may create a conflict of interests;

Yes No

1.1.5 The Bidder and / or anyone acting on his behalf has provided services outside the framework of the Municipality to the Head of the Local Authority or his deputy, or to the Director-General of the Local Authority, or to the spouse of any of the above, or to a corporation controlled by the Mayor or his spouse, and two years have not yet elapsed since the date of termination of the service;

Yes No

1.1.6 The Bidder and / or anyone on his behalf has provided significant services to the parent, son or daughter of each of the persons listed in Subsection (e) above, or to a Council member or senior employee in the Local Authority, and two years have not yet elapsed since the date of termination of the service;

Yes No

1.1.7 The Bidder and / or anyone acting on its behalf has provided service to an employee of the Local Authority engaged in the area in which the service is requested, and two years have not yet elapsed since the date of termination of the service;

Yes No

1.1.8 The Bidder and / or anyone acting on his behalf has been declared bankrupt and has not yet been dismissed;

Yes No

1.2 To the extent that any of the conditions set forth in Section 1.1 and its Subsections are fulfilled, the Bidder shall attach a document to be marked as **Form Number 2 (1)**, detailing the conditions of disqualifications in his case and / or anyone acting on his behalf as aforesaid.

1.3 If I am elected, I declare and warrant that during the entire period of engagement with the Municipality, I shall act as follows:

1.3.1 I shall notify the Municipality immediately, as far as I and / or anyone on my behalf have a family connection and / or business connection with any of the Municipality's employees and / or with any other party that may affect the promotion of business matters in the areas in respect of which I am required to provide services to the Municipality.

1.3.2 In any event of concern of a conflict of interests as set out in this document and in the Agreement of Undertaking, I undertake that I will immediately inform the Municipality of this, while presenting the reasons for the concern. Only after receiving the Municipality's approval, should it be given, will I be allowed to continue my activity with the Municipality.

1.3.3 In the event that I am in a situation that may place me and / or anyone on my behalf in suspicion of a conflict of interests, I shall notify the Municipality without delay, and I shall provide the relevant information in writing and act in accordance with its instructions.

2. **Conflict of Interests - Customers / Holdings**

2.1 Check ✓ in the relevant box

- There is no concern of conflict of interests, I declare and warrant that there is nothing in the Bidder's customer list that may constitute a conflict of interests with the provision of the services we provide to the Municipality.
- There is a suspicion of conflict of interests with regard to the services provided by us to the customers of the Bidder and their representation by us.

(In this case, the Bidder must specify in a separate document to be marked by it as **Form Number 2 (2)** a list detailing its customers and / or the services it provides, which may be a concern for such conflict of interests).

2.2 Check ✓ in the relevant box

- The Bidder is not an owner / partner of other entities or companies.
- The Bidder is an owner / partner of other companies and / or entities (hereinafter: "**other entities**") (all the names of the holders and the percentage of their holdings **with the Bidder in the framework of submission of a bid on his behalf** and in other entities, if there are other holdings, must be specified) in accordance with the following details:

<p>Details of the holding of shares in corporations, directly or indirectly, or partnership in any business entities, of yours or your relatives. There is no need to specify a holding that is not an interested party in a corporation as defined in the Securities Law, 5728-1968, in corporations traded on the stock exchange.</p> <p>"Relative" - spouse, parent, descendant, and someone who is supported by you.</p>			
Name of Corporation / body	Name of Holder	% holding	Area of activity of the Corporation / body
<p>Securities Law, 5728-1968</p> <p>A person who holds five percent or more of the issued share capital of the corporation or of the voting power therein, anyone who is entitled to appoint one or more directors of the corporation or its general manager, anyone who serves as a director of the corporation or its general manager or a corporation in which such person holds twenty five percent or more of its issued share capital or of the voting power therein, or is entitled to appoint twenty-five percent or more of its directors for the purposes of this paragraph.</p> <p>A mutual fund manager shall be deemed to hold the securities included in the fund's assets.</p>			

If a person held securities through a trustee, the trustee shall also be deemed to hold the said securities.

For this purpose, "**Trustee**" - excluding a nominee company and excluding a person who holds securities only by virtue of his position as trustee for an arrangement within the meaning thereof under Section 46 (AF) 2 or as trustee for the allotment of shares to employees as defined in Section 102 of the Income Tax Ordinance.

Subsidiary of a corporation other than a nominee company.

2.3 If the Bidder has additional holdings as stated in Section 2.2 above, check ✓ in the relevant box

- The Bidder has other holdings as detailed above, but none of the other entities provides services / works (hereinafter: "**Services**") of any kind or type to the municipality.
- The Bidder has additional holdings as detailed above and as specified below, services are provided to the Municipality by the other entities, as detailed below:

Name of Corporation / body	Name of Holder	From date to date	Details of the services provided to the Municipality and the contact person on behalf of the Municipality

3. Nothing contained in this Form shall derogate from the undertaking of the Bidder and / or anyone on its behalf as part of the Agreement of Undertaking and / or its obligations under any law.

In witness whereof we have signed:

Date: _____ Name of the Declarer _____ Signature of the Declarer

Certification

I the undersigned, Adv. _____, Registered Number _____ hereby certify that on _____, Mr. / Ms. _____, who identified himself / herself by ID No. _____, presented himself / herself to me, who is personally known to me, and after I cautioned him / her that he/she must declare the truth and that if he / she does not do so he / she will be subject to the penalties prescribed by law, he / she confirmed the accuracy of his /her affidavit and signed it before me.

Attorney (signature + stamp)

1-16521117