

THE NATIONAL COAL SUPPLY CORPORATION LTD.



SUPPLY BOAT LONG TERM CHARTER / PURCHASE

INQUIRY FOR PROPOSALS

October 2013

THE NATIONAL COAL SUPPLY CORPORATION LTD.



The National Coal Supply Corporation Ltd. ("NCSC" or the "Company"), a subsidiary of the Israel Electric Corporation Ltd. ("IEC") hereby invites proposals for the chartering or Purchasing of a Supply Boat for operations in the Port of Hadera in accordance with this document and the following specifications and conditions:

1. Required Ship's particulars:

- 1.1. Named ship
- 1.2. Max 4.70 m draft
- 1.3. Speed 20 knots
- 1.4. Min Stern working space of 7 x 8 meters
- 1.5. Min 12 passengers
- 1.6. Crane up to 3 ton (optional)
- 1.7. 'aft-facing' steering station
- 1.8. Classed
- 1.9. Insured under first class hull & machinery insurance and P&I club

2. Required Company's particulars:

- 2.1. Company with at least 3 year experience in ship management

3. Required Commercial particulars:

- 3.1. Delivery date: 1 November – 15 December
- 3.2. Delivery place: Please advise
- 3.3. Time charter Duration: 4 year charter
- 3.4. Price:
 - 3.4.1. Time charter - Hire per day _____
 - And/or
 - 3.4.2. Purchase - _____



4. General Requirements:

- 4.1. The offered ship should be compliant with NCSC vetting requirements and data
- 4.2. The criteria and weights for choosing the winning proposal shall be as follows:
 - 4.2.1. Price – the total cost of a the vessel for the 4 year period, including, but not limited to, cost of hire (purchase), cost of crew, cost of fuel cost of maintenance and cost of bringing the vessel to Hadera Port.

5. The Proposal:

It is hereby emphasized that any proposal submitted under this inquiry, whether directly or indirectly, shall be deemed to be a binding proposal of the shipping company (“the bidders”) and if awarded, the bidders which become the Owners (hereinafter: “the Owner”) will contract/sale their vessel to NCSC.

6. Requirements:

- 6.1 Each and every eligible proposal submitted in this inquiry should be priced to include other costs of any kind, as the case may be (hereinafter: “Other Costs”).
- 6.2. It is hereby clarified that all declared fees and costs including Daily hire Rate (in case of time charter), shall be final and binding, no additional costs or expenses of any kind will be borne and paid by NCSC.
- 6.3. Payment of taxes, as required by the Israeli law, of any type whatsoever, if any, shall be borne and paid by the Owner.
- 6.4. The attached Appendices are an integral part of this inquiry document
- 6.5. In any case of contradiction or incompatibility between the inquiry documents and the Charter Party, the Charter party shall prevail.

7. General:

- 7.1. NCSC shall be entitled to conduct negotiations with those inquiry participants whose proposals are found to be suitable.
- 7.2. NCSC shall be entitled to request further documents evidencing the proposal.
- 7.3. During the course of the negotiations, NCSC shall be entitled to request the eligible participant(s) to update and/or amend its/their proposal(s) in such a way that will enable NCSC, in its sole discretion, to determine to the greatest extent possible, whether the proposal(s) include all relevant information It is hereby emphasized that in such case, NCSC shall then be entitled to request a final proposal.
Negotiate with any bidder that is included in the final bidders group. At the conclusion of the negotiations, each such bidder will be entitled, at a time to be determined by NCSC, to submit a final proposal. If a bidder does not submit an additional proposal,

THE NATIONAL COAL SUPPLY CORPORATION LTD.



then the first proposal it submitted will be considered the final proposal. NCSC will examine all proposals submitted, including the first proposals, and will reach a decision. Notwithstanding the aforesaid, NCSC will be entitled not to conduct negotiations with the bidders, upon fulfillment of any of the following:

- 7.3.1 Conduct of negotiations with any of the bidders has not yet begun
- 7.3.2 All bidders have agreed to waive the conduct of negotiations.

In addition, NCSC will be entitled not to accept an additional bid after negotiations with all bidders are held, in case all bidders agree to waive submission of a proposal as said.

In case only one bidder is included in the final bidders group, NCSC will be entitled to conduct negotiations with the bidder. In addition, NCSC is entitled to decide that no negotiations will be conducted with it.

In the context of this section – the final bidders group means all bidders that meet the inquiry requirements.

- 7.4 NCSC may choose the proposal which is most suitable to it, in order to ensure for itself the most advantages.
- 7.5 NCSC is not obliged to accept the lowest proposal or any proposal whatsoever.
- 7.6 In the event of a single proposal for the inquiry, or a single proposal remaining for consideration, NCSC is entitled to accept the proposal, as offered, or cancel the inquiry and hold a new inquiry.
- 7.7 Together with the submission of a proposal in the inquiry, the participant agrees that in the case where a participant, who receives a notice of award under the inquiry from NCSC, refuses to perform and/or does not fulfill its obligations in accordance with the inquiry requirements, or inquiries to cancel its proposal for any reason whatsoever, NCSC shall be entitled to accept the next best proposal or to initiate a new inquiry /process, according to its sole discretion.

It is hereby clarified that the notice to a participant that it was not awarded the inquiry, shall not derogate from the right of NCSC as detailed above.

For the avoidance of any doubt, it is hereby clarified that there is nothing in the aforesaid to derogate from the obligations of the participant under its proposal and in case of breach of obligations, NCSC reserves its rights to indemnity under law the losses incurred such as the loss compare to the market

8. Documents / forms / information to be attached to the inquiry proposal:

The proposals under this inquiry will include the following forms / documents / information:

- 8.1. A Proposal Form duly filled in and signed, as specified in the inquiry documents.
- 8.2. Vessel's full description including GA plan
- 8.3. Charterers will provide a a copy of Charterers' Performa Charter Party to 'Bidders' to the final Bidders group (in case of time charter).

THE NATIONAL COAL SUPPLY CORPORATION LTD.



9. Cancellation of the Inquiry:

In addition to all other cases where NCSC is entitled to cancel this inquiry or any part thereof under Israeli law, NCSC will also have the right to cancel this inquiry or a part thereof in any one of the following instances:

- 9.1. In the event that only one proposal is submitted, or in the event that only one proposal complies with the Conditions Precedent for Participation set out in clauses 1 to 7 above or other requirements specified in this inquiry document.
- 9.2. In cases where NCSC decides that the inquiry procedure and/or the inquiry Documents and/or the procedure for analyzing the inquiry results are deficient.

10. The date for submitting proposals:

The final date for submission of proposals shall be **15:00 hours (local Israel time) on 15.11.2013.**

NCSC reserves the right to postpone the final date set for submission of proposals at any time before this date.

11. Validity of Proposals

Proposals will be valid until 15.12.2013

12. Submission of Proposals

Proposals must be submitted in Electronic file PDF format to the following email SupplyB@ncsc.co.il.

Sincerely,

The National Coal Supply Corporation Ltd.

PROPOSAL FORM

Inquiry for supply Vessel

The National Coal Supply Corporation Ltd. ("NCSC") hereby invites proposals for Long term supply vessel with the following specifications:

1. Name of the Charterer

The National Coal Supply Corporation Ltd. ("NCSC") and/or associated and/or affiliated and/or others as required by NCSC.

2. Type of Offer

a. Charter – 4 Years

And/or

b. Purchase

3. Name of Owners

4. Named ship: _____

5. LOA: _____

6. Draft: _____

7. Beam : _____

8. Year Built: _____

9. Stern working place : _____

PROPOSAL FORM

10. Speed:

Working	Maximum

11. Consumption:

Working	Maximum

12. Crew : Israeli (confirm) for Time charter offer

13. Class: _____

14. Insurance: _____

15. Name of Shipyard: _____

16. Delivery dates: November – December 2013

17. Limits of Charter

subject to the terms and details of charterers charter party

18. Please insert in detail Company's management experience:

19. Daily hire Rate

_____ US\$ per day

20. Costs and expenses

_____ US\$

And/or

21. purchase

PROPOSAL FORM

22. Terms of Payment

As per charterers Charter Party (in case of Time Charter)

23. The date for submitting proposals:

The final date for submission of proposals shall be **15:00 hours (local Israel time) on 10.11.2013.**

NCSC reserves the right to postpone the final date set for submission of proposals at any time before this date.

The Proposal is subject to Charterers' Charter party (in case of time charter)

24. Validity of Proposals

Proposals will be valid until 15.12.2013

The proposal is final and binding.

For the avoidance of doubt it is hereby clarified that no additional costs or expenses of any kind, including, but not limited to, taxes under Israeli Law or Foreign Law or otherwise, shall be paid by NCSC. All such additional costs or expenses shall be borne by the bidder.

All other terms are as per the INQUIRY documents.

Date

Name of Bidder

Signature