

THE NATIONAL COAL SUPPLY CORPORATION LTD.



Tender No. 02/2009

OPEN TENDER FOR MARINE CARGO INSURANCE

REQUEST FOR PROPOSALS

The National Coal Supply Corporation Ltd. ("NCSC") hereby invites proposals for insurance in accordance with the tender documents and the following specifications:

1. **Type:** Marine Cargo Cover.
2. **Interest:**
 - A) Coal and/or Iron Ore in Bulk.
 - B) Bunker Fuel on Board all vessels on Time Charter or other vessels as may be agreed.
 - C) All other interests connected with the insured's business.
3. **Limits:** Coal and/or Iron Ore and/or other interests other than those listed in b and c below:
 - a) US\$20,000,000 for any one conveyance.
 - b) Bunker Fuel: US\$1,500,000 for any one vessel.
 - c) Sending by Post / Courier: US\$ 50,000 for any one sending.
4. **Period:** Initial Period of one year beginning 21st February 2010 (inclusive, Israeli Time) with NCSC to have one further option of one year.

5. **Conditions Precedent for Participation:**

Any proposal under this tender should be submitted only by the entities and in accordance with the criteria stipulated in sub-clauses **a. and b.** hereinafter:

a.

- 1) Israeli insurance companies who are the holders of an Israeli Insurer's license relating to the Type of Insurance being requested, and/or,
- 2) Authorized Lloyd's Underwriters' representative so licensed under Israeli law and/or,
- 3) Foreign insurance companies or Lloyd's Underwriters, either directly by themselves or indirectly through their Authorized Representatives in Israel, or through International Broker(s).

b.

- 1) Israeli insurance companies participating in this Tender shall have equity as of 30.6.2009 of no less than US \$100,000,000 or its equivalent in Israeli Shekels.
- 2) Foreign insurance companies participating in this tender, either directly or indirectly, as above, shall be rated at least A by Standard & Poor's and Fitch, or A2 by Moody's, or A- by A.M. Best.

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- 3) International brokers shall be the holders of professional liability insurance in the amount of no less than US\$ 15,000,000 or its equivalent in another currency, valid for the year 2010.

It is hereby emphasized that any proposal submitted under this tender, whether directly or indirectly, shall be deemed to be a binding proposal of the insurance company or of the Lloyd's underwriters ("the bidders") and if awarded, the bidders which become the insurers (hereinafter: "the Insurer") will issue their Insurance policy to NCSC.

6. Obtaining Tender Documents

In order to obtain the tender documents, participants are required to download, complete and submit the Participant Information Form posted on NCSC's website at www.ncsc.co.il. Tender documents can be obtained from Mr Barak Silberstein or Mr Yosi Aharoni at the offices of NCSC, Rubinstein Building (19th floor), 20 Lincoln Str. Tel-Aviv, Israel, from Sundays to Thursdays between 8:30 and 16:30 (local Israel time) **until 24/12/09.**

Additional details can be obtained from the abovementioned persons at either baraks@ncsc.co.il or yosia@ncsc.co.il.

7. The date for submitting proposals:

The final date for submission of proposals shall be **15:00 hours (local Israel time) on 14 January 2010.**

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

8. Submission of Proposals

Proposals to be submitted under the tender must be submitted in two copies in a sealed envelope and placed in the tender box at the following address: National Coal Supply Corporation Ltd., Rubinstein Building (19th floor), 20 Lincoln Str. Tel-Aviv, Israel.

9. Negotiating with bidders

NCSC shall be entitled to conduct negotiations with those tender participants whose proposals are found to be suitable and to request submission of a final proposal, all in accordance with that stated in the tender documents.

10. Cancellation of the Tender:

In addition to all other cases where NCSC is entitled to cancel this tender or any part thereof under Israeli law, NCSC will also have the right to cancel this tender or a part thereof as stated in the tender documents.

This advertisement is only for purposes of general information. The full and binding details regarding the tender are those appearing in the tender documents.