

December 2, 2015

Bid Explanation Document

Procurement and Supplies Section,
Okinawa Institute of Science and Technology
School Corporation,
1919-1Tancha,Onna-son,Kunigami-gun
Okinawa

1. This bid explanation document concerns open competitive bidding related to "Long pulse module power supply design" (offer subject to electronic bidding) by the Okinawa Institute of Science and Technology School Corporation (hereinafter referred to as "OIST") and states the matters that bidders should understand and observe in the execution of the bid and the conclusion of a contract.

Parties that intend to participate in this open competitive bidding must request an explanation and assent in full in advance whenever there are points of question with regard to the public notice of bidding and the bid explanation document. Bidding parties may not raise objections after bidding for the reason that there were unclear points.

2. Contract subject: Long pulse module power supply design
(offer subject to electronic bidding)

3. Contract method: Firm contract

4. Contract details:

- (1) Type of contract: Contract for the service agreement
- (2) Scope of contract: As stated on the attached specifications
- (3) Place of delivery: As stated on the attached specifications
- (4) Deadline and quantity: March 31, 2016
(quantity as stated on the attached specifications)

5. Qualifications required of parties participating in open competitive bidding

[1] Must not fall under the provisions of Article 2 and Article 3 of the Contract Management Stipulations of OIST.

[2] Must not have filed a petition for commencement of rehabilitation proceedings based on

the Corporate Reorganization Act, and not filed a petition for commencement of rehabilitation proceedings based on the Civil Rehabilitation Act.

- [3] Must not be an entity that has received an exclusion request from the national government or police authority as an entity effectively controlled by a criminal group member or those equivalents thereto, and an entity for which such state has continued.
- [4] Must be in good financial condition. To prove this, the participant must submit a copy of financial statements for the preceding two fiscal years to OIST and be certified by OIST.

6. Method and deadline for submission of bid Technical Review documents

Parties intending to participate in this open competitive bidding must submit the Technical Review documents. Any party that does not submit the documents by the deadline will not be allowed to participate in this open competitive bidding.

- (1) Method for submission: Upload the documents (use the “Attached document addition” operation on the “Certificate, etc., submission” screen of the electronic bid system) in PDF file format on the electronic bid system by the deadline. Parties for whom submission using the electronic bid system is difficult, including parties participate in this bidding from outside of Japan, shall email, bring or post their documents to the place stated in 13.(1). [2]. A method that leaves a tracking record such as delivery registration, etc., must be used. (The electronic bidding system of OIST does not accept bidding from outside of Japan)
- (2) Deadline: Until 5:00 pm, Thursday December 10, 2015 (JST)
- (3) Format/Language: Any format can be used for Technical Review documents. All documents should be in English.
- (4) Notification of review results: Bidders will be notified via the electronic bid system, email or fax for the parties participate in by paper based bidding by Tuesday December 15, 2015 (JST).
- (5) Requests for explanations of review results: Parties whose bids have been judged “Ineligible” as a result of the review of the Technical proposal documents may request an explanation of the reason for that judgment in writing or by fax in accordance with the following.
 - [1] Period for submission:

Until 5:00 pm, Tuesday December 22, 2015 (JST). If bringing the documents to OIST, from 9:30 am to 5:00 pm every day excluding Saturdays, Sundays and public holidays.
 - [2] Place of submission:

Chinatsu Kinjo, Procurement and Supplies Section, OIST
1919-1 Tancha, Onna-son, Kunigami-gun Okinawa, 904-0495
TEL: +81-(0)98-966-8887 FAX: +81-(0)98-966-2887
- (6) Other: OIST shall bear none of the costs related to the preparation of Technical Reviewl

documents.

7. Place, date and time of execution of open competitive bidding

- (1) Place: Level B Conference Room, Lab 1, OIST
- (2) Date and time: From 11:00 am, December 17, 2015 (Thu), JST
- (3) Other: OIST does not bear any travel expense regarding this open competitive bidding.

8. Method of implementation of bidding

(1) Matters to be observed in bidding

- [1] All costs related to this contract shall be included in the bid amount.
- [2] A form of breakdown of the bid amount shall be attached to the bid forms (use the “Attached document addition” operation on the “Bid submission” screen of the electronic bid system when the parties participate in this bidding via electronic bidding).
- [3] The bid amount shall be stated in yen (JPY).
- [4] The designated formats must be used for the bid forms and power of attorney.
- [5] When correcting the statements on bid forms, the corrected places must be crossed out with two parallel red lines and the correction either stamped with a seal or signed (the same party as the one who seals or signs the bidder details section).
- [6] Once OIST has received bid forms, they may not be exchanged, amended or cancelled.
- [7] A bid shall be made by the bidder or a bidding agent.
- [8] In cases where a bidding agent is used to submit a bid, a power of attorney must be submitted to a bidding procedure-related employee of OIST in advance of the bid.

(2) Opening of bids

The opening of bids shall be carried out by the electronic bid system.

(3) Invalid bids

Bids that fall under any of the following categories shall be invalidated. If a bid has been invalidated, OIST shall notify the bidder in question of the invalidation of the bid.

- [1]. Bids made by parties other than those qualified to participate in open competitive bidding
- [2]. Bids made by bidding agents for whom a power of attorney has not been submitted
- [3]. Two or more bids made by the same bidder
- [4]. Bids made by a bidder or a bidder’s agent as the bidding agent for another bidder at the same time
- [5]. Bids with regard to which collusion for purposes of obstructing fair competition is recognized
- [6]. Bids in which the product name or amount, etc., is unclear
- [7]. Bids without a name, seal or signature
- [8]. Bids by a party who acted to obstruct the participation in bidding of another bidder or

acted to obstruct the work duties of the bidding procedure by a bidding procedure-related employee of OIST

[9]. Other bids that do not conform to the conditions for bidding

(4) Method for determination of the successful bidder

The bidder who made valid bids within the range of limits of estimated prices prepared by OIST shall be determined as the successful bidder.

In case bidders are subject to the payment of consumption tax, the successful bid value is set at the amount stated on the bid forms plus the value of consumption tax, etc., equivalent to 8% of the successful bid amount, the bidders shall state the value equivalent to 100/108 of the estimated bid amount. Fractions of less than 1 yen shall be discarded from the amount equivalent to 108/100 of the value stated on the bid forms and the successful bid will be deemed to have been made at the amount obtained after discarding the fractional amount in question.

(5) Rebidding

Where there is no bidder who should be made the successful bidder as the result of the opening of bids, the bid shall be carried out again promptly on the spot.

Parties that did not participate in the first bidding process and parties whose bids were invalidated in the first bidding process may not participate in rebidding.

The number of rebidding is basically 6 times included the initial bidding. However, if it is efficient to continue the rebidding which is a slight difference between the lowest bid and the target price such as where there is expected to be successful bid may be carried out more than 6 times

(6) Bids of the same value

If there are 2 or more parties who made bids at the same value and who should be made the successful bidder as the result of the opening of bids, the successful bidder shall be determined by the drawing of lots. If there is a bidder who is not present at the opening of bids, an employee of OIST not related to the bidding procedure shall draw lots in place of said bidder.

9. Language and currency to be used in contract procedures

The contract shall be created in Japanese or English and the currency shall be based on Japanese currency (JPY).

10. Bid deposit and contract deposit

Exempt

11. Necessity of the preparation of a contract

A contract document shall be prepared for the conclusion of a contract.

12. Contract terms

Procurement shall be based on the contract designated by OIST.

13. Questions about the bid explanation document, etc.

(1) If there are any questions about this bid explanation document, etc., they must be submitted by email, fax or in writing (free format) in accordance with the following.

[1] Period for submission:

Until 5:00 pm, Wednesday December 09, 2015 (JST). If the questions are brought to OIST, from 9:30 am to 5:00 pm every day excluding Saturdays, Sundays and public holidays.

[2] Place of submission:

Chinatsu Kinjo, Procurement and Supplies Section, OIST

1919-1 Tancha, Onna-son, Kunigami-gun Okinawa, 904-0495

TEL: +81-(0)98-966-8887 FAX: +81-(0)98-966-2887

Email: tender@oist.jp

14. Others

- (1) OIST shall bear none of the costs related to the creation or submission of Technical Review documents.
- (2) Possibility of concluding a negotiate contract with the successful bidder regarding other related businesses besides this contract: None
- (3) Submitted documents will not be returned.
- (4) OIST will not use the submitted documents without permission from the submitter excepting the procedures in this bidding. However, OIST may publicize the documents to ensure the fairness, transparency and objectivity
- (5) Submitted documents may be copied within the range of the procedures in the evaluation.
- (6) Replacement or resubmission of Technical Proposal documents is unacceptable after the deadline of submission.
- (7) Documents which are downloaded or received from OIST shall not be publicized or used for any purpose without permission from OIST.
- (8) Parties participate in this bidding from outside of Japan must submit "Request for Approval of Paper-based Bidding" by Tuesday December 15, 2015 (JST) by e-mail.

15. Attached documents

- (1) Specification sheet
- (2) Technical review outline
- (3) Contract (draft)
- (4) Request for Approval of Paper-based Bidding

(5) Bid form (sample)

(6) Power of attorney (sample)

Reference

Okinawa Institute of Science & Technology Contract Management Stipulation Article 2 & 3

Article 2

Parties that lack the abilities to conclude the concerned contracts and parties that are bankrupt and have not been rehabilitated may not be allowed to participate in the competitive bidding for sales, purchase, lease, service and other contracts.

Article 3

1. Parties to which any of the following is deemed to apply may be prohibited from participating in competitive bidding for a period of two years after the concerned acts. This also applies to those who use said parties as their representatives, managers or employees.
 - (1) Parties that have intentionally committed shoddy construction or production in the performance of a contract, or that have committed illegitimate acts concerning the quality or quantity of items.
 - (2) Parties that have obstructed the performance of fair competitive bidding or colluded to impair fair pricing or earn illicit gains.
 - (3) Parties that have hindered successful bidders from concluding contracts or hindered contractors from performing their contracts.
 - (4) Parties that have obstructed the work duties of employees implementing supervision or inspections.
 - (5) Parties that have failed to perform their contracts without just cause.
 - (6) Parties that have used other parties as representatives, managers, or employees for the performance of contracts within two years after said other parties committed any of the above-specified acts.