

To:

Tender participants of Tender No. 100034743

Dear Sir or Madam,

**Re: Responses to Requests for Clarification for Tender No. 100034743 "For the provision of consultancy, monitoring and control services of Mekorot Water Co. water projects in Israel "**  
**(the "Tender")**

The following is a compilation of the requests for clarification in connection with the Tender:

No.	Chapter	Section	Question	Answer
1.	Tender documents	Appendix A	Please update the wages for the services of the Project Coordinator, so that the consideration for the provision of services shall not exceed the maximum tariff set out in the Notice on Regulation Finance and Economy No. 13.9.2.1 based on State Directives on Regulation Finance and Economy No. 13.9.2 and the provisions thereof, <b>and in accordance with the discount/addition to the tariff (up to 30% addition or discount)</b> , instead of the mechanism currently set out, according to which the consideration shall not exceed the maximum tariff set out in the above Regulation, <b>and in accordance with the discount to the tariff (up to 30% discount)</b> .	The Tender Committee does not accept the request and therefore, no change will be made to the Tender documents.
2.	Tender documents	5.2.3 5.2.4	Please clarify whether a foreign company that is not yet registered as a "Foreign Company" in Israel in accordance with the Companies Law, at the time of submission of its proposal, may submit a proposal by itself.	A foreign company that is not registered as a "Foreign Company" in Israel at the time of submission of its proposal, may submit a proposal by itself or in any other constellation stipulated by the Tender. If a foreign company is selected as a successful bidder (as a Bidder or

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				<p>as an entity comprising the Bidder) it will be obliged to legally register as a Foreign Company, in accordance with section 346 of the Companies Law, 5759 – 1999, within the timeframe determined by the Tender Committee. Registration of the company constitutes a condition for performing the agreement, but will not prevent the signing of the agreement in accordance with the Tender.</p> <p>A foreign company <b>is not required</b> to attach the confirmation as stated in section 5.3.4.</p> <p>A foreign company <b>is not required</b> to attach, at the time of submission of its proposal, an up-to-date company extract as stated in section 5.3.5. Instead, it will have to present a confirmation that it is duly incorporated under the laws of the country in which it was incorporated.</p> <p>A foreign company is not required to attach confirmations which a bidder incorporated in Israel is able to supply on the bid submission deadline, as detailed in sections 5.3.9, 5.3.10 and 5.3.11.</p> <p>The Tender Committee further clarifies that any requirement included in the Tender, even if not mentioned above, for a foreign company not registered as a “Foreign Company” in Israel at the time of submission, which</p>
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				<p>cannot legally be fulfilled by the company by the bid submission date, will not be regarded as a precondition or a Threshold Requirement, and the Tender Committee will examine and determine whether the requirement can be fulfilled at a later stage, or in the event that the company is awarded the Tender, then after the tender award as determined by the Tender Committee.</p> <p>In addition to the above clarifications, the following changes, marked in red, will be made to the Tender documents:</p> <p>5.2.3. The Bidder (or any of the members comprising the Bidder) is registered under Israeli law. (Where a bid is made on behalf of two companies which have agreed to submit a joint bid, the bidder must attach to the bid all relevant documents for both companies along with the agreement between the two companies. In such a case, where their bid is successful, they will be required to incorporate as a separate company within 45 days of their being notified of their success in the Tender). <b>A foreign company that is not registered as a “Foreign Company” in Israel, as defined in section 346 of the Companies Law, 5759 – 1999 (the “Companies Law”), may submit a proposal by itself or in any other constellation stipulated by the Tender. If a foreign company is selected as a</b></p>
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				<p>successful bidder (or as one of the members comprising the successful bidder) it will be obliged to legally register as a "Foreign Company" in accordance with section 346 of the Companies Law within the time determined by the Tender Committee. Such registration in accordance with the Companies Law constitutes a condition for performing the agreement, but will not prevent the signing of the agreement in accordance with the Tender.</p> <p>The following words will be added to the end of section 5.3.4:</p> <p>"This section will not apply to a foreign company that is not registered as a "Foreign Company" in Israel at the time of submission of its proposal."</p> <p>The following words will be added to the end of section 5.3.4:</p> <p>"A foreign company that is not registered as a "Foreign Company" in Israel at the time of submission of its proposal will attach a confirmation that it is duly incorporated under the laws of the country in which it is incorporated."</p> <p>The following sentence will be added to the end of sections 5.3.9, 5.3.10 and 5.3.11:</p> <p>"This section shall not apply to a foreign company that is not registered as a "Foreign Company" in Israel at the time of</p>
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				submission of its proposal."
3.	General		Please clarify which version of the Tender documents prevails in the event of a discrepancy between the two – the Hebrew version or the English version.	The Tender Committee clarifies that in case of discrepancy between the Hebrew and the English versions of the Tender documents, the Hebrew version shall prevail and bind the parties.
4.	Tender documents	3.2.3.3	Please clarify whether there is a mistake in section 3.2.3.3 which states that the drilling consultant shall be required to undertake to provide at least 1000 hours' worth of services per month to the Bidder.	The Tender Committee clarifies that indeed there is a mistake in this section, and the drilling consultant will be required to undertake to provide at least 1000 hours per <u>year</u> to the Bidder.
5.	Tender documents	5.1.5.2.5 5.1.5.3.5 5.1.5.6.3 5.1.5.7.2	Please amend the sections of the Tender so that the requirements of the Tender with regards to experience with water projects are widened to include experience with oil and gas infrastructure projects.	The Tender Committee does not accept the request and therefore, no change will be made to the Tender documents.
6.	Tender documents	7.2	Please clarify whether the international members comprising the Bidder are required to provide services in accordance with the hourly rates (with any addition or discount) stipulated in the State Directives on Regulation Finance and Economy Nos. 13.9.2 and 13.9.2.1, and whether flights and accommodations for international experts are reimbursable.	The Tender Committee clarifies that international members comprising the Bidder are expected to provide services according to the hourly rates stipulated in the State Directives on Regulation Finance and Economy as stated in the Tender. Other expenses (like flight and accommodation expenses) will not be reimbursable by the Water Authority.
7.	Annex P	17(a), 17(b)	Please amend section 17(b) of the agreement and limit the liability of the Supplier to the sum of the value of the Tender.	The Tender Committee partially accepts the request and the following amendment, marked in red, will be made to Section 17(a):  "It is hereby declared and agreed that, subject to all applicable law, the Supplier shall bear responsibility for any harm, loss

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				<p>or damage caused for any reason whatsoever to the Supplier's person or property or to the person or property of anyone acting on its behalf, or to the person or property of its employees or any workers acting on its behalf, or to the property of the Authority or to the person or property of any other person as a direct or indirect result of the application of this agreement, except where such damage was caused as a result of the negligent action or omission of the Authority.</p> <p>Notwithstanding the foregoing the Supplier's liability for the property of the Authority will be limited to four million New Israeli Shekels (4,000,000 NIS), provided however that the damage was not caused by the Supplier or someone acting on its behalf in a deliberate or reckless manner."</p>
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Sincerely,

The Tender Committee