

Date: 24/06/2019

To:

All Participants

Re: Invitation For Pre-Qualification for Participation in a Tender for the Acquisition of Holdings in Ashdod Desalination Ltd. and Ashdod Desalination – Operation Ltd. ("Invitation") – Addendum No. 3

1. All capitalized terms used and not defined herein shall have the meaning ascribed to them in the Invitation.
2. Pursuant to the provisions of Section 2.11 (*Addenda*) of the Invitation, the attention of all Participants is drawn to the Clarifications and Addendum to the Invitation, attached to this Addendum as **Appendix I**.
3. As set forth in Section 2.11(e) of the Invitation, you are kindly requested to acknowledge receipt of this Addendum, no later than 2 (two) days following receipt thereof, by a written notice to the Tender Committee, in the format attached to this Addendum as **Appendix II**.

Sincerely,

Maharan Frozenfar

CC: Members of the Tender Committee

APPENDIX I - CLARIFICATIONS AND ADDENDUM

Invitation to Bid			Section
1.	Q:	The Tender Committee is hereby kindly requested to delay the Pre-Qualification Submissions Date.	Invitation; Section 1.6(b)
	A:	The request is rejected.	
2.	Section 2.2.b of the Invitation shall be amended as follows: "The applicable court at Jerusalem <u>Tel-Aviv</u> shall have the sole jurisdiction over all matters and all disputes arising in connection with the Pre-Qualification Process."		
3.	Q:	Please clarify that the Tender Committee's discretion to determine which provision shall prevail in case of discrepancy, shall only apply to such determination brought to the attention of the Participants prior to the PQ Submission Date.	Invitation; Section 2.5
	A:	The request is rejected.	
4.	Q:	Please confirm that the Entity which demonstrated compliance with the Pre-Qualification Requirements detailed in Section 5.1.2 (<i>Operation and Maintenance Experience</i>) may hold at least 50% of the share capital / interest in a special purpose Entity to be established solely for the purpose of holding the Operator (and not directly in the Operator).	Invitation; Section 5.1.5(a)(v)
	A:	Please refer to clarification No. 15 in Addendum No. 2. In addition thereto, with respect to Section 5.1.5(a)(v), the term "hold" shall also include holding indirectly through a single purpose holding entity which directly holds 100% of the share capital / interests in the Operator. For illustration purposes, if Entity A is required to "hold" 30% in Entity B, then Entity A may hold such interest directly, or indirectly, by holding 30% in a single purpose holding company, which will in turn hold 100% in Entity B.	

5.	Q:	Please clarify what is the expected impact of the parameters specified under the referenced Section on the overall scoring.	Invitation; Section 5.1.5(b)
	A:	Please refer to clarifications No. 18 and 19 in Addendum No. 2.	
6.	Q:	Please clarify what is meant by “Position Holders in the Participant” / ”Position Holders of the Member” / ”Position Holders of the Experience Provider”.	Pre- Qualificatio n Forms "B", "C" and "E"
	A:	Please refer to clarification No. 39 in Addendum No. 2 and to the updated Pre- Qualification Forms which were published as part of Addendum No. 2.	
7.	Q:	Please clarify that if the Experience Provider demonstrating compliance with the Technical Pre-Qualification Requirement specified in Section 5.1.1 (<i>Design and Construction Experience</i>) has actually performed the desalination process design of the applicable project, and therefore is not required to present a Design Contractor pursuant to Section 5.1.3(a)(ii), then there is no need to submit Pre-qualification Form "F1".	Pre- Qualificatio n Form "F1"
	A:	The request is confirmed.	
8.	Q:	<p>Pre-qualification Form H reads as follows:</p> <p><i>To be completed by each Member and/or a Guarantor (as applicable) on a separate Pre-Qualification Form, and signed by the external auditor of such Member and/or the applicable Guarantor)</i></p> <p>And</p> <p><i>Each Member (or Guarantor, as the case may be), shall attach to this Pre-Qualification Form a confirmation letter from its external auditor which audited its Financial Statements, confirming that its recent audited Financial Statements do not include a going concern notice, as required under Section 5.2.5 (Going Concern) of the Invitation.</i></p> <p>Please, we kindly request that:</p> <p>(i) Pre-qualification Form H can be signed by the CFO of Each Member.</p> <p>(ii) Since each Member must attach the last audited financial statements, which comprise an “Independent Auditor’s Report” that states the existence or absence of a going concern, we ask you to consider this report as confirming that the most recent audited financial statements do</p>	Pre- Qualificatio n Form "H"

		not include a going concern notice, being unnecessary and redundant to provide further confirmation.	
	A:	Please refer to clarification No. 41 in Addendum No. 2 and to the updated Pre-Qualification Forms which were published as part of Addendum No. 2.	

APPENDIX II - ACKNOWLEDGMENT OF RECEIPT

To: Mr. Maharan Frozenfar
Tel: +972-72-215-5999
Fax: +972-3-303-6365
E-Mail: Maharan@mfaculty.com

Re: Invitation For Pre-Qualification for Participation in a Tender for the Acquisition of Holdings in Ashdod Desalination Ltd. and Ashdod Desalination – Operation Ltd. – Addendum No. 3

Pursuant to the provisions of Section 2.11(e) of the Invitation, we hereby acknowledge receipt of Addendum No. 3.

Name of the Participant

Name and signature of the Participant's
Authorized Representative