

Date: 06/11/2019

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. 8

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 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
<p>1. The Tender Committee has been addressed with a request to disqualify IDE Technologies Ltd. ("IDE") from participating in the tender process, claiming that such participation constitutes a material conflict of interest and violates the principle of equality of all Participants, and the Tender Committee has decided to respond to such request, as follows:</p> <ol style="list-style-type: none"> 1. The claims raised regarding the participation of IDE in the tender process have been examined in detail by the Tender Committee, which decided to reject them, mainly due to the reasons elaborated in Section 2 of Appendix 1 of Addendum No. 5 and as reflected in the minutes of its meetings published in the virtual data room. 2. For the sake of good order, the main reasons for rejection of the requests to disqualify IDE from participating in the tender process are as follows: <ol style="list-style-type: none"> 2.1. The report prepared by IDE with respect to the Facility (the "IDE Report") relates to the condition of the Facility as of year 2017. It is emphasized that the signing of the IDE Report on a later date does not change such fact. 2.2. The position of the relevant professional advisors presented to the Tender Committee, is that the status of the Facility as of the date of the Pre-Qualification Submission Date is different from the status of the Facility during preparation of the IDE Report. 2.3. The IDE Report was prepared by IDE prior to the decision to conduct a tender process, it reflects the professional insights of IDE, and was published in the virtual data room. 2.4. The Participants received access to the virtual data room, to which extensive and significant information was uploaded, prior to the declaration of Eligible Participants and publication of the Tender Documents, in order to provide each Participant with sufficient time to review and get acquainted with the Facility and be prepared for submission of a bid. 2.5. The virtual data room includes additional extensive information, including periodic reports prepared by the Operator during the years 2016-2019 for internal purposes and which also relate to the period <u>after</u> preparation of the IDE Report. 2.6. The intended policy for visitations of Eligible Participants to the Facility, will enable each Eligible Participant, together with its advisors, to visit the Facility according to the instructions to be provided to the Eligible Participants, in a manner which will enable receipt of the information required for the purpose of submitting its bid. 	<p>Section 2 of Appendix 1 of Addendum No. 5</p>

	<p>2.7. Subject to the requirements of the Tender Documents, Eligible Participants will have certain flexibility with respect to the rectification plan to be proposed by each Eligible Participant, and not necessarily according to the rectification proposed in the IDE Report.</p> <p>3. It is hereby noted that the Tender Committee is conducting its affairs with the utmost fairness and transparency, including publication of the agreement between the Concessionaire and IDE and the relevant minutes of meetings of the Tender Committee.</p> <p>4. In light of the above, the Tender Committee has previously decided, that IDE does not possess excess information or an unfair advantage which requires its disqualification from the tender process.</p>	
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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. 8

Pursuant to the provisions of Section 2.11(e) of the Invitation, we hereby acknowledge receipt of Addendum No. 8.

Name of the Participant

Name and signature of the Participant's
Authorized Representative