

August 12, 2020

**Invitation for Pre-Qualification for the Participation in a Tender for the Light Railway
Project between Haifa and Nazareth**

Addendum No. 2

Pursuant to Section 2.9 (*Addenda*) of the Invitation, Candidates are hereby informed of the following amendments to the Invitation.

This Addendum shall constitute an integral part of the Invitation and the Tender Documents.

All capitalized terms used and not defined herein shall have the meaning ascribed to such terms in the Invitation.

Please note that Item 8 of this Addendum #2 contains a clarification to the Threshold Requirement in Section 4.5 (Project Execution, Management and Organization Experience).

Please note that Item 1 of this Addendum #2 contains a postponement to the deadline for submitting Requests for Clarifications.

	Amendments to the Invitation	Section in the Invitation
1.	Please amend item 2 as follows: "Final date for the submission of Requests for Clarification: August 17, 2020 <u>September 30, 2020.</u> "	1.3 Anticipated Schedule
2.	Please amend Section 2.5.3. as follows: "As a pre-condition for the submission of the Pre-Qualification Documents, each Participant shall pay a participation fee in an amount of NIS fifteen thousand (15,000) (VAT included) <u>or the equivalent thereof in USD or Euro</u> (the " Participation Fee "). <u>The applicable exchange rate for USD or Euro shall be the Bank of Israel Representative Exchange Rate known at the time of actual payment.</u> "	2.5 Participation Fee

<p>3.</p>	<p>Please replace Section 2.13 with the following:</p> <p>2.13.1 Each Participating Entity acknowledges that in the preparation of the Pre-Qualification Submissions, the Bids and in the performance of the Works it is strictly prohibited from having any conflict of interests between any of its other activities and/or its other obligations and/or any of its employees, consultants or subcontractors and the obligations and rights with respect to this Invitation, the Tender, the Works and the Contract to be awarded, including a conflict of interest which may arise as a result of engaging employees, advisors or subcontractors of the Tender Committee.</p> <p>2.13.2 Without derogating from the above, the entities listed in Annex 3 (Advisors to the Tender Committee) are currently engaged or have been engaged as consultants to TRI and/or the Tender Committee, either directly or indirectly, in connection with the HN LRT Project or other TRI projects, and therefore Participating Entities are strictly prohibited from employing or engaging any of them for the purpose of this Invitation, the Tender Process or the performance of the Works, whether directly or indirectly, without the prior written consent of the Tender Committee.</p> <p>2.13.3 The Tender Committee reserves the right to update the list from time to time and at its sole discretion.</p> <p>2.13.4 It is clarified that the prohibition applies to:</p> <p>2.13.4.1 the entities listed in Annex 3, in respect of any person employed thereby, whether or not listed in Annex 3; and</p> <p>2.13.4.2 the persons listed in Annex 3, regardless if their employment by such prohibited entity has ended.</p> <p>2.13.5 Each Participant shall submit, by no later than the deadline for</p>	<p>2.13 Advisors to the Tender Committee – Avoidance of Conflicts of Interest</p>
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	<p>submitting Requests for Clarification, details of</p> <ul style="list-style-type: none">• its requests for approval of engagement of any of TRI's Advisors (listed in Annex 3), for the purpose of this Invitation, the Tender Process or the HN LRT Project ("Request for Approval").• all its, and any Affiliated Entity's, prior (which existed in the period between 1.1.2019 and the Submission Date), currently existing and future known engagements of any of TRI's Advisors (listed in Annex 3), for any purpose which is not connected to the Tender Process or the Project ("Notification"). <p>2.13.6 Any Request for Approval and Notification shall include details of the nature and expected duration of the engagement.</p> <p>2.13.7 Without derogating from its rights and prerogatives pursuant to this Invitation or Law, following receipt of such Request for Approval and /or Notification, the Tender Committee may, at its sole discretion: (i) approve the request; (ii) require additional details; (iii) notify the relevant Participant that it does not approve such engagement if it considers that such engagement creates or appears to create a conflict of interest; (iv) impose certain restrictions with respect to such engagement in order to avoid any appearance of or a conflict of interest, (v) request to amend the terms of any engagement of a TRI's Advisor in each case; and/or (vi) disqualify a Participating Entity and/or a Participant, all as the Tender Committee shall deem fit.</p> <p>2.13.8 Requests for Approval or Notification (which was timely submitted by the deadline for submitting Requests for Clarification) will be answered within thirty (30) days following its submission. The Tender Committee reserves its</p>	
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	<p>right to decide whether or not to publish its response as a Clarification.</p> <p>2.13.9 In exercising its discretion, the Tender Committee may consider:</p> <ul style="list-style-type: none">• whether an engagement in respect of works or services is connected, either directly or indirectly to the HN LRT Project;• whether the works or services provided to the Participating Entity are performed by separate teams of TRI's Advisors, which report to separate managing entities within TRI's Advisors;• the total income of TRI's Advisor from its engagement with the Participating Entity of its total annual income. <p>Therefore, Participants are encouraged to provide such details, and any other relevant factors, to assist the Tender Committee's determination.</p> <p>2.13.10 It is clarified that this process will be repeated in the Tender Selection Stage in respect of engagements which are not known to the Participants at the deadline for submitting Requests for Clarification, including in relation to an updated list of TRI Advisors which may be published at the Tender Selection Stage.</p> <p>Additionally, for engagements reported during the Pre-Qualification Stage, each Participant will be required to include any relevant information in compliance with Section 2.13 within its Update Statement in accordance with Section 9.8 (Issuance of the Tender Selection Stage Documents; Update Statement) below.</p>	
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	2.13.11 It is clarified that the Participants' obligations in relation to the avoidance of a conflict of interests shall not derogate from TRI's Advisors' contractual obligations pursuant to the terms and conditions of their engagement with TRI.”	
4.	Please delete Section 2.14.	2. Rules and Procedures
5.	Please amend Section 3.2.4 as follows: “3.2.4. Form of Submission. In order to demonstrate compliance with, inter alia, the provisions of this Section 3.2 (Members of the Participant), the Participant shall complete, execute and submit Pre-Qualification Form “3” and each Member shall complete the Pre-Qualification Forms as applicable to its status. ”	3.2 Members of the Participant 3.2.4 Form of Submission
6.	Please amend Section 3.3.7 as follows: “3.3.7. In the event that two Experience Providers are prequalified with respect to any of the Section 4.1, 4.2, 4.3, 4.5, 4.6 or 4.7 it shall be required that, within the Bid submitted by the Participant at the Tender Selection Stage, one of the two prequalified Experience Providers will assume responsibility for the Project function and the performance execution of the applicable part of the works <u>Works</u> for which it was prequalified <u>as stated in Section 3.3.5 of the Invitation.</u> Such chosen Experience Provider shall be the entity responsible (jointly and severally with the Participant) for the execution of the part of the Works (as applicable and respectively to the category of experience demonstrated) on behalf of the Participant in the event of a Successful Bid.”	3.3 Experience Provider
7.	Please amend Section 3.5.6 as follows: “3.5.6. To the extent required under Law, each Entity incorporated in the State of Israel, or registered in Israel as a Foreign Company as defined under the Companies Law 1999, shall provide all relevant approvals and statements as required in accordance with the provisions of the Public Entities Transactions Law 1976 by completing the affidavit under cover of Pre-Qualification Form “4” Annex <u>—</u> , and an ascertainment of regular reports of revenues to the tax assessor and the director of V.A.T. in transactions that are taxable under the Value	3.5 Participation – General Requirements

	<p>Added Tax Law 1975.under cover of Pre-Qualification Form “4” Annex _____</p> <p>A Foreign Company registered in Israel which cannot provide such approvals due to its lack of activities in Israel and/or is not registered in the Israeli tax authorities shall include within its Pre-Qualification Submission, under cover of Pre-Qualification Form “4” Annex _____ (1) a declaration by an independent auditor; and (2) an affidavit of a representative of the Participating Entity’s management, both testifying to such status.”</p>	
8.	<p>Please add the following to Section 4.5, prior to the paragraph which begins with the words “Form of Submission”:</p> <p><u>“For the purpose of demonstrating compliance with this Section 4.5 (Project Execution, Management and Organization Experience), Completed sections of Infrastructure Projects may be presented, provided that the Completed sections themselves meet all other requirements of this Section 4.5.”</u></p>	4.5 Project Execution, Management and Organization Experience
9.	<p>Please delete the last paragraph of Section 4.7, in accordance with Clarification Letter 2, Item 5, as follows:</p> <p>“The Experience Provider is required to indicate in the Pre-Qualification Submission under Pre-Qualification Form “12” which alternative it has chosen. However, the choice of Alternative 2, a service agreement with a Bus Operator, does not require the nomination of the Bus Operator until the Tender Selection Stage.”</p>	4.7 Operation Experience
10.	<p>Please amend Section 5.8.9 as follows:</p> <p>“Form of Submission. In order to demonstrate compliance with this Section 5.8 (Submission of Financial Statements), the applicable Entities shall attach all required Financial Statements under cover of Pre-Qualification Form “14”Annex _____.”</p>	5.8 Submission of Financial Statements 5.8.9 Form of Submission
11.	<p>Please replace Pre-Qualification Form “13,” Operating Experience, with the new version attached to this Clarification Letter as Attachment 1.</p> <p>The following has been deleted from the form:</p>	Pre-Qualification Form “13,” Operating Experience

	<p><i>“Please indicate the chosen Alternative below:</i></p> <p><input type="checkbox"/> The Experience Provider will serve as the O&M Contractor for the HN LRT Project, should the Participant be deemed the Successful Bidder (Alternative 1 in Section 4.7 of the Invitation).</p> <p><input type="checkbox"/> The Experience Provider will enter into a service agreement with a local Bus Operator who will serve as the O&M Contractor for the HN LRT Project should the Participant be deemed the Successful Bidder, and whose details and experience shall be listed in the Participant’s Bid (Alternative 2 in Section 4.7 of the Invitation).”</p>	
<p>12.</p>	<p>Please add Annex 3 (Advisors to the Tender Committee) attached hereto as Attachment 2. Note that due to a clerical error, Annex 3 was not attached as stated in Item 28 to Addendum 1.</p>	<p>Annex 3</p>
<p>13.</p>	<p>In accordance with Clarification Letter 2, Item 7, please find the updated Annex 4 (Currency Conversion), with exchange rates for HKD, attached hereto as Attachment 3.</p>	<p>Annex 4</p>