

Tender No. 031-21 (the "Tender")

Petroleum & Energy Infrastructures Ltd. / Oil Products Pipeline Ltd. (hereinafter the "Company") seeks to receive bids ("Bids") from qualified potential bidders ("Bidders") complying with the preliminary conditions stated in the tender documents available on the Company's website at www.pei.co.il (the "Tender Documents"), for the purchase by the Company of steel pipe of certain technical details and manufactured by certain approved manufacturer(s), or at a production site located in an EU or OECD member country and by manufacturer(s) meeting certain parameters, all as specified in the Tender Documents (the "Goods").

This notice is provided for the convenience of Bidders. It is not intended to express or be referred to in the interpretation of the binding terms and conditions of the Tender and/or the Contract, which terms and conditions shall be solely as expressed in the Tender Documents. Capitalized terms in this notice not otherwise defined herein have the meanings ascribed to those terms in the Tender Documents.

The Goods are divided into two groups, as indicated in the Bill of Quantities. Bids for each of the two groups will be considered separately for purposes of bid comparison and award of contract. The Goods shall be supplied **CIF (Incoterms 2010) Ashdod port**. Alternatively, Bids may be to supply the Goods to the Company's warehouse in (depending on the type of Goods) Ashkelon (or other site as reasonably requested by Company after making an accounting for additional costs, the "**Destination**"), including the unloading of Goods at the Destination after prior coordination with the Company, with all associated costs, risks and logistics borne by the Supplier (such terms of supply, as defined in the Contract, the "**DDP Terms**").

- 1. The Tender Documents include the following requirements:
 - 1.1. The Goods must meet the requirements of the Technical Specifications in their entirety, to the Company's satisfaction.
 - 1.2. The Goods must be manufactured (including coating) either (a) by an Approved Manufacturer (as listed in the Tender Documents); or (b) at a production site located in an EU or OECD member country, by a manufacturer which successfully manufactured and supplied, during the 5 years preceding the Submission Deadline, pipe manufactured according to the API-5L standard in an aggregate value of not less than € 7,500,000 (Seven million five hundred thousand Euro) for group 1 and/or € 3,500,000 (Three million five hundred thousand Euro) for group 2.
 - 1.3. The Bidder's net shareholders' equity as of 31 December 2019 must be positive.



- 1.4. The Bidder must either: (a) be or be an affiliate of an Approved Manufacturer; or (b) have successfully supplied pipe conforming to the API-5L standard during the five years preceding the Submission Deadline, of an aggregate minimum value of NIS 10,000,000, USD 3,303,000, , or € 2,565,000.
- 1.5. If the Bidder is an Israeli person or entity, it must possess valid approvals pursuant to the provisions of the Public Bodies Transactions Law, 5736-1976.
- 2. Multiple Bids by the same Bidder are prohibited. Multiple bids from the same bidder, bids from multiple entities within a single control group or syndicate, bids from multiple agents acting on behalf of the same principal, group or syndicate, or any substantially similar arrangement ("Multiple Bids") are categorically disallowed from this Tender. If any Multiple Bids are received, all such Multiple Bids will be automatically disqualified. This requirement does not prevent several bidders (who are not affiliated with each other in the manner described above) from submitting bids to provide Goods produced by the same Manufacturer. However, parallel bidding, in which a Manufacturer or its Affiliate submits a bid in addition to another bidder (other than an Affiliate of that Manufacturer) to provide Goods produced by that same Manufacturer (or an Affiliate thereof) is forbidden ("Parallel Bids"). If Parallel Bids are received, then the Parallel Bid(s) of any bidder other than the proposed Manufacturer (or Affiliate thereof) will be automatically disqualified, and the Company shall be entitled (in its discretion) to see that proposed Manufacturer (or Affiliate thereof) as bound directly by its bid, as per the lowest price quote of the other parallel bidders.
- 3. Bidders must attach to their Bids all documents proving fulfillment of the above preliminary conditions, as specified in the Tender Documents.
- 4. Bids must be placed in the Company's tender box, at the Company's offices at 3 Hasadnaot Street, Herzeliya Industrial Zone 46120, ISRAEL, or received electronically in the inbox of the Company's dedicated email address at tender031-21@pei.co.il, by no later than July 21, 2021.
- 5. The Tender Documents are available on the Company's website (www.pei.co.il). Potential Applicants/Bidders are instructed to register at the Company's website in order to receive updates, announcements, clarifications etc. regarding the Tender. Said registration shall be the responsibility solely of the Applicants/Bidders, and all notices, updates, announcements and/or clarifications made available to registered Applicants/Bidders thereby shall be deemed received by all Applicants/Bidders upon such publication.



- 6. The Company does not undertake to accept any Application/Bid, and reserves the right to reject any Application/Bid or all them, and does not undertake to enter into an engagement with the lowest Bidder.
- 7. This notice is also being published on the Company's website in English, Hebrew and Arabic as well as in an Arabic language newspaper; however the binding language shall be English. For inquiries: Mrs. Talmor Sela: purchasebid@pei.co.il