



Request for Proposals (“RFP”) no. 20/264
For the Removal of Sludge from Crude Oil Storage Tanks
no. 44, 45

PART 1 - INSTRUCTIONS TO BIDDERS

1. General

- 1.1 Petroleum & Energy Infrastructures Ltd. (hereinafter the “**Company**”) seeks to receive bid proposals (“**Bids**”) for the **urgent** removal of sludge from its crude oil storage tanks no. 44 and 45 located in Kiryat Hayim (near the Haifa bay) (the “**Tanks**”) including oil recovery from the sludge, and cleaning the Tanks up to a “gas free” level, (hereinafter the “**Project**”, or the “**Works**”), all as specified in the Tender Documents (as hereinafter defined).
- 1.2 Information about the Company's Tanks is detailed in Appendix A, attached hereto. The Tanks shall be decommissioned in phases and handed over for the successful bidder to recover oil from the sludge and subsequently clean the Tanks' internals for handing over to PEI in a condition where welding can be carried out (“Gas Free”), all as provided in Appendix A hereto, and within the timeframe specified in the Contract. **Only Ex-Situ (“no man entry”) offered methods shall be considered. In-Situ method of cleaning shall not be acceptable.**
- 1.3 As the Tanks are operational, it is not possible to accurately estimate the quantity of sludge in the Tanks, however, the Company’s rough non-binding estimate, is that each Tank contains 1,500 CBM of sludge, and such quantity which shall form the basis for evaluation of the Bids (herein: the “**Known Sludge Quantity for the Tanks**”). It is hereby clarified that in any event, the actual amount of sludge in the Tank will be measured by a surveyor prior to the commencement of the works, as specified in Section 11 of the Contract.
- 1.4 A surveyor’s analysis of the sludge contained in the Tanks, is attached as part of Appendix A (SOW).



- 1.5 The sludge cake after de-sludging shall be suitable for landfill and will be stored in sealed containers delivered by the Contractor, by trucks, to a unique site in the south of Israel, as detailed in Appendix A (SOW).
- 1.6 **The cleaning method/s must receive prior approval of the Israeli Ministry of Environmental Protection (the “Ministry”). See also Section 16.2 below.**
- 1.7 The winning Bidder should expect to receive a Work Commencement Order, in accordance with section 12.1 of the Contract, to begin work on the first Tank in the **beginning of December 2020**. The Company may disqualify a Bidder if the Bidder hasn't proved, to the Company's satisfaction, that it can meet such timetable.

2. Scope of the Documents

The tender documents forming part of this RFP (hereinafter the “**Tender Documents**”) consist of the following parts, including their respective schedules, exhibits, Sections and addenda, and any clarifications or amendments thereto issued by the Company pursuant to the provisions of this Part 1:

Part 1 - Instructions to Bidders (this part)

Appendix A - Scope of Work (SOW)

Appendix B – Timeline for the Bid Process

Part 2 - Bid Forms

Form 1 - General Bid Form

Form 2 - Experience

Form 3 - Equipment

Form 4 - Financial Information

Form 5 - [deleted]

Form 6 - [deleted]

Form 7 - Absence of Convictions regarding the Foreign Workers Law - 1991 or the Minimum Wage Law – 1987

Form 8 - Compliance with the Equal Rights for People with Disabilities Law - 1998

Form 9 - Remuneration



Part 3 – Contract

Appendix A – Scope of Work (SOW)

Appendix B – Bid Price Form

Appendix C – Certification Process for Contractor’s Workers, Safety
Regulations

Appendix D – Liquidated Damages and Partial Payment

Appendix E – Insurance

Appendix E’1 – Certificate of The Contractor’s Insurance Covers

Appendix F - Contract Performance Guarantee

The Tender Documents can be viewed and downloaded from the Company’s website www.pei.co.il.

3. Definitions

Unless defined separately, the following terms, whenever used in the Tender Documents shall have the following meaning:

“**Authorized Signatory**” means the individuals designated by either the Company or the Bidder who are legally authorized to bind their respective organizations by their signatures.

“**Award**” means selection of the winning Bid pursuant to Section 16.

“**Bid Price**” means the price per CBM requested by the Bidder in Form 9 (Part 2 of the Tender Documents).

“**Bidder**” means an entity submitting a Bid.

“**Bid Forms**” means the forms set forth in Part 2.

“**Candidate for Award**” has the meaning assigned in Section 15.

“**Contract**” means the agreement forming part of the Tender Documents and set forth in Part 3.

“**Deadline for Submission of Bids**” has the meaning assigned in Section 12.4.

“**Insurance Certificate**” has the meaning assigned in the Contract.



“Known Sludge Quantity for the Tanks” has the meaning assigned in Section 1.3.

“Performance Guarantee” has the meaning assigned in the Contract.

“Subcontractor” has the meaning assigned in the Contract.

4. Communications; Confidentiality of Tender Documents

4.1. Any communications between the Bidder and the Company must be made in writing. All correspondence including the Bid prepared by the Bidder and all other documents, and any printed materials furnished by the Bidder related to the Bid or exchanged by the Bidder and the Company shall be written in English. However, the Company may initiate a conference call with a Bidder to clarify any issues. If general issues are discussed having relevance to all Bidders, then soon after, the Company shall send to all prospective Bidders a written summary of the general issues clarified.

4.2. The Bidder (and any person or entity that received the Tender Documents, whether or not such person or entity submitted a Bid) shall keep confidential and cause its employees, subcontractors and agents to keep confidential, information concerning the business of the Company, its financial affairs, its relations with its employees, as well as other information provided by the Company in connection herewith, whether or not such information is specifically classified or designated as confidential. The information contained within the Tender Documents must also be kept confidential and must not be used for any purpose other than for replying to the RFP. Bidders must ensure that all safeguards and proper procedures are implemented to protect such information. The Bidders agree to comply with all instructions issued by the Company with respect to such information.

4.3. All Tender Documents shall remain at all times the exclusive property of the Company.

5. Preliminary Tender Conditions



The Bidder must fulfill the following criteria in order for its Bid to be considered:

5.1. The Bidder has, during the past 3 (three) years prior to the Deadline for Submission of Bids, successfully completed the cleaning process of at least one floating-roof crude oil tank (herein in this Section 5.1: the "**Cleaned Tank**") located in a petroleum refinery/crude oil terminal, such Cleaned Tank either operational or non-operational, in compliance with all of the following specifications:

5.1.1. The Cleaned Tank was of a minimum capacity of 10,000 CBM (Cubic Meters).

5.1.2. At least 1,000 CBM of sludge was removed from the Cleaned Tank.

5.1.3. A proven closed-system method ("no man entry") was used for cleaning the Cleaned Tank.

In order to demonstrate the Bidder's compliance with this condition it will fill out Form #2 of Part 2 of the Tender Documents.

5.2. The Equipment to be used for performing the Works, is located in Israel, as of the Deadline for Submission of Bids.

In order to demonstrate the Bidder's compliance with this condition it will fill out Form #3 of Part 2 of the Tender Documents.

5.3. Shareholders' equity of the Bidder in its 2019 audited annual financial reports was positive, and the auditors' opinion does not include a "going concern" note. If the Bidder does not yet have audited annual financial reports for the year 2019, it may fulfill this condition by its 2018 annual audited financial reports.

In order to demonstrate the Bidder's compliance with this condition it will fill out Form #4 of Part 2 of the Tender Documents.



- 5.4. If the Bidder is incorporated in Israel, it possesses certificates and declarations in accordance with the Law of Transactions of Public Bodies, 1976.
- 5.5. A Bid may be submitted by a joint venture, in which case the preliminary tender conditions specified in Sections 5.1-5.3 above must be met by at least one of the partners to the joint venture that holds a stake no less than 50% in the joint venture, and the condition specified in Section 5.4 must be met by the Israeli partners. Additional provisions relating to submissions by joint ventures are set forth in Section 12.1.5.

6. Subcontractors

- 6.1. In the event that the winning Bidder would like to subcontract part of the Works, the Subcontractor(s) proposed must be pre-approved in writing by the Company, as a condition to the Contract between the winning Bidder and the Company becoming effective. The Company reserves the right to reject any proposed Subcontractor, at its sole discretion. If at the time of submission of its Bid, the Bidder knows the identity of its proposed Subcontractor(s), it shall state so in its Bid, and if declared the Winning Bidder shall retain the services of such Subcontractor unless a replacement thereof is authorized by the Company in accordance with the terms of the Contract.
- 6.2. No later than 7 days following receipt of notification of Award (see Section 16 below), the winning Bidder must submit to the Company for approval, the names of the proposed Subcontractors he wishes to employ, along with documentation evidencing their compliance with the conditions detailed in Section 6.1 above, if applicable. It is clarified, that if more than one Subcontractor is proposed for performance of the same tasks, the Bid Price of the Bidder will apply regardless of which Subcontractor is appointed, and no adjustment of the price will be permitted.



6.3. In any event, the Company will enter into the Contract and will subsequently deal with the Bidder only, who shall be responsible for the whole of the Works. The Company will not be involved in any subcontracting arrangements that the winning Bidder may undertake for the implementation of the Works.

7. The Tender Documents

7.1. The contents of the Tender Documents must be read in conjunction with any addenda issued and in conjunction with one another.

7.2. For the avoidance of doubt it is hereby clarified that the **Contract** including any written amendments distributed by the Company prior to the Deadline for Submission of Bids **must be signed by the Bidder upon submission of its Bid**. Pertinent information from the Bidder's Bid as accepted by the Company shall be added to the relevant Sections of the Contract by the Company. The Bidder is required to carefully review the Contract. In submitting its Bid, the Bidder accepts the provisions and conditions of the Contract and acknowledges that it shall not have any claim against the Company regarding its provisions.

7.3. Bidders are expected to examine all instructions, forms, terms, specifications, and other information in the Tender Documents.

7.4. Failure to furnish all the information required by the Tender Documents or to submit a Bid not substantially responsive to the Tender Documents, may result in the rejection of the Bid, at the discretion of the Company.

7.5. Where an ambiguity or a discrepancy occurs between or within parts or sections of the Tender Documents, the ambiguity shall be resolved in the manner that broadens the obligations of the Bidder and the rights of the Company.

8. Clarification of Tender Documents



- 8.1. A prospective Bidder seeking any clarification of the Tender Documents, or requesting any change thereto, may send a request to that effect to the Company in writing, whether by fax or email, to the Company's address as set forth in Section 21 below. Telephone inquiries shall not be accepted.
- 8.2. Such requests must be submitted no later than **10:00 a.m. on October 22, 2020**. Copies of the Company's response (including an explanation of the query but not identifying its source) will be posted on the company's website, no later than **October 27, 2020**.
- 8.3. The Bidder shall study the Tender Documents to its satisfaction, appraise the circumstances, problems and difficulties entailed in executing the Works and, if necessary in its opinion, revisit the site. A Bidder submitting a Bid to the Company shall be deemed to have fully examined, scrutinized and studied the Tender Documents and have had the opportunity to request clarifications. Following submission of its Bid, the Bidder shall be precluded from making any claim regarding the extent of his understanding, appraisals, examinations and the like in anything pertaining to the Tender Documents, and specifically to the Works, their nature and scope.

9. Non-derogation and Amendment of Flaws

- 9.1. The Bidder may not add to, derogate from, alter or qualify any condition mentioned in the Tender Documents and the addenda thereto.



- 9.2. If the Bidder wishes to offer comments on specific paragraphs or conditions, including a request for an amendment to the Contract, such comments/requests shall be conveyed to the Company prior to the deadline for submitting clarification requests and in the same manner provided for in Section 8 above, such that the Company shall consider whether or not to amend the conditions of the Tender Documents. If the Company agrees to amend conditions, appropriate written notice regarding the amendment shall be posted on the company's website, as detailed in Section 10 below. Requests for amendments that are not listed as accepted in such notice distributed by the Company shall be deemed denied. Any alteration or qualification to the final Tender Documents made by the Bidder in its Bid, may lead to the Bid's disqualification.
- 9.3. If, despite the foregoing, a flaw is found in the Bidder's Bid, including any addition, derogation, change or qualification of the Tender Documents, the Company shall take action as it deems appropriate under the circumstances, at its sole discretion, and it may, inter alia, disqualify the Bid or ignore such addition, derogation, change or qualification and regard them as never having been made, or accept the changes.
- 9.4. Upon submission of its Bid, the Bidder agrees that the Company shall be entitled, but not required, to permit a Bidder whose Bid contains a qualification, is deficient or contains any other flaws, to amend or complete its Bid, or to allow the Bidder to leave the Bid unchanged, all at the Company's sole discretion, and in the manner and under the conditions the Company may determine.

10. Amendment of Tender Documents

- 10.1. **No later than October 27, 2020**, the Company may amend the Tender Documents on its own initiative or in response to a clarification or amendment requested by a prospective Bidder. Subsequent amendments on the same subject modify or replace earlier ones.



- 10.2. In order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their Bids, the Company may, at its discretion, extend the Deadline for the Submission of Bids; in which case the Company will post a notification of the extended deadline on its website.
- 10.3. Amendments will be posted on the Company's website. Such amendments will be binding on all the Bidders and will be deemed to have been taken into account by the Bidder in its Bid. Prospective Bidders must check the website periodically for amendments and notifications.

Only written clarifications, amendments or changes in the Tender Documents, signed by the Company, will bind the Company. Such clarifications, amendment or changes, as the case may be, will be deemed to form part of the Tender Documents.

11. Deleted.

12. Submission of Bids

- 12.1. The Bidder should include in his Bid all the information required of him, as detailed in the Tender Documents. The Bid must be submitted in English (with the exception of official Hebrew documents), any official document in foreign language will be translated to English and approved by a notary (with the exception of financial statements - only the auditor's opinion of the 2019 financial statements and the Bidder's Shareholder's Equity for 2019 must be translated, notarized and submitted with the Bid. However, the Company reserves the right to request a translation of additional documents or parts thereof at a later time). Without derogation from the generality of the foregoing, the Bidder must submit the following:
- 12.2. A copy of all the Tender Documents (Parts 1, 2 and 3), including amendments and clarifications issued by the Company, signed on the first and last page of each Part and each Form/ Section/ Appendix, by the Authorized Signatory of the Bidder.



- 12.2.1. A set of duly signed completed Bid Forms (Part 2 of the Tender Documents).
- 12.2.2. Attorney certification regarding the Authorized Signatories of the Bidder.
- 12.2.3. Bidders incorporated in Israel are also required to attach to their Bid a certificate in accordance with the Law of Transactions of Public Bodies 1976, in respect of books of account in accordance with the Income Tax Ordinance and the VAT Law.
- 12.2.4. Bidders who are a joint venture must attach to their Bid the executed joint venture agreement between the partners.

Bidders should note that in case of the Award of the Contract to a Bidder that is a joint venture, the joint venture and all its partners shall be jointly and severally liable towards the Company.

- 12.3. The Bid Price may be quoted in USD, Euros or New Israeli Shekels (NIS). The Bidder must clearly state in what currency it is quoting its Bid Price; **otherwise the Bid shall be treated as a Bid in NIS**. Payment shall be made to winning Bidder in the same currency quoted by the Bidder. However, for purposes of comparing the Bids, all Bids shall be converted to New Israeli Shekels (NIS) according to the representative exchange rate published by the Bank of Israel on the Deadline for the Submission of Bid Price. If there is a discrepancy between words and figures, the amount in words will prevail.
- 12.4. The Bid shall be submitted to the Company **no later than 10:00 (Israel Standard Time) on November 02, 2020** (hereinafter the “**Deadline for Submission of Bids**”). The Company is entitled to change, at any time, the Deadline for Submission of Bids, and shall notify all prospective Bidders who have requested a copy of the Tender Documents of such



change, in writing, and also post such change on its website. **A Bid not timely submitted, shall be disqualified.**

12.5. The Bid must be submitted and received, by no later than the Deadline for Submission of Bids set forth in Section 12.4 above, **either**:

(a) in a sealed envelope, deposited by hand in the special-purpose tender-mailbox, on the first floor of the Company's offices at: Petroleum and Energy Infrastructures Ltd / Oil Products Pipeline Ltd., 3 HaSadna'ot, Herzliya, Israel (Bidders submitting their Bid by courier are advised to instruct their courier service of the importance of placing their Bid in a sealed envelope in the tender box as per the above instructions); **or**

(b) by an email with attachments conforming with Section 18.2 below and addressed to tender20-264@pei.co.il (the "**Designated Account**"), with a subject line which states the name of the Bidder and the number of this Public Tender, as well as the Company's name (for example: "XYZ Bidder Ltd. -- Submission of bid for Public Tender No. 20/264 (Petroleum and Energy Infrastructures Ltd.)" (a "**Submission Email**").

Bidders must choose to submit their Bids by **one** of these two methods. Any Bid submitted by a Bidder by both methods (physical deposit and Submission Email) may be disqualified and/or considered as if not submitted and/or the Company will have a right to choose one of the two Bids at its discretion.

12.6. In case of physical submission, all Bid Forms shall also be submitted on a CDR (containing Adobe Acrobat PDF (PDF) searchable format files). In the event of any discrepancy between the copies, the paper copy shall prevail. The paper copy and CDR shall be placed in one envelope.

12.7. Without derogating from any other provision hereof, Submission Emails are subject to and must also comply with the following terms:



12.7.1. All attachments to a Submission Email must be electronically signed by an individual authorized to submit the Bid on Bidder's behalf (an "**Authorized Individual**"), by means of a secure electronic signature which: (a) is uniquely connected to the Authorized Individual; (b) identifies the Authorized Individual as the signatory; and (c) is under the exclusive access and control of the Authorized Individual (an attachment meeting such requirements: an "**Electronically Signed Attachment**").

12.7.2. The Company will access the Designated Account in the period that is 24-48 hours prior to the Deadline for Submission of Bids ("**Pre-Check Period**"), solely (a) to check how many emails have been received in the Designated Account by such time and (b) to respond to each such email received, for the sole purpose of notifying the sender that an email from such account has been received in the Designated Account ("**Email Received Notice**"). As such, it is recommended – if a Bidder sends a Submission Email prior to or during such Pre-Check Period but does not receive an Email Received Notice by 24 hours before the Deadline for Submission of Bids – that such Bidder contact the Company. For the avoidance of doubt, the Company will not be opening any Submission Email or checking it for adequacy, compliance, completion or the like, during the Pre-Check Period. For the further avoidance of doubt, Bids may be submitted after the Pre-Check Period so long as they are received in the Designated Account before the Deadline for Submission of Bids, but those bidding in this manner take full responsibility for doing so and acknowledge that they will not receive an Email Received Notice.



12.7.3. The Bid will be deemed to consist only of the Electronically Signed Attachment(s) to a Submission Email which is received by no later than the Deadline for Submission of Bids; however, the Company reserves the right to treat any text, documents and/or information contained in or attached to a Submission Email, which are not Electronically Signed Attachments (whether or not receipt of the Submission Email has been confirmed), as Modifications, and the provisions relating to modifications will apply to them.

12.7.4. The Company represents that Submission Emails received in accordance with this section will be treated as per the Company's policies regarding submission of Bids for public tender, as if submitted in the customary physical manner, with conforming changes.

12.7.5. By submitting its Bid, each bidder: (a) confirms and consents that its correspondence with the Company regarding the Tender (and/or the Contract, if awarded), including without limitation the Submission Email and its attachments, may take place by means of electronic correspondence, by which the Bidder shall be legally bound; (b) represents that any documents comprising or included in an Electronically Signed Attachment and bearing the signature, stamp or written acknowledgment of a Manufacturer or any other third party, are true and authentic copies of the original document duly executed by an individual who is, to the Bidder's best knowledge, the authorized representative of that third party; (c) represents that the electronic correspondence and signature by which the Submission Email and Electronically Signed Attachments were submitted meet, at a minimum, the legal requirements of a "standard electronic signature" under the laws of the Bidder's jurisdiction, and comprise a legally binding signature under those laws; and (d) unconditionally waives, and acknowledges it shall be estopped from advancing, any argument contrary to any of the above.



- 12.7.6. In its Submission Email, the bidder may include an email address for purposes of future correspondence and/or notifications; if no such email address is indicated, then the Company may assume that the email address from which the Submission Email is sent shall be an acceptable address for future correspondence and/or notifications, until notified otherwise by the bidder.
- 12.7.7. Without derogating from the foregoing, and notwithstanding anything else to the contrary, the Company may, in its discretion and by reasoned written notification to the relevant bidder, disqualify any bid or submission, if the Company is of the opinion that acceptance of such bid under the circumstances would be inappropriate for the conduct of a public tender, or would conflict the Company's tender policies, applicable tender laws or regulations, or other applicable law.
- 12.8. The Bid shall be valid for 150 days from the Deadline for Submission of Bids. During this period the Bidder's Bid shall be irrevocable and the Bidder shall not be entitled to withdraw, cancel or change its Bid.
- Should the Company request that Bidders extend the period of validity of their Bid, such request shall be made in writing and the Bidder must extend its Bid on the same terms and conditions for up to an additional 30 days.
- 12.9. Submission of a Bid for only a part of the Works is not permitted.
- 12.10. The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Company will in no case be responsible or liable for those costs, even if the Company amends the Tender Documents or cancels the tender for any reason.
- 12.11. Bidders shall submit their Bid in accordance with the requirements of the Tender Documents.
- 12.12. Each Bidder, and any entity in which it holds 50% or more, or which holds 50% or more in the Bidder, may submit one Bid only.



13. Bid Opening

The Company will open all Bids after the Deadline for Submission of Bids, and all Bids that satisfy the Preliminary Tender Conditions will be evaluated in accordance with the criteria set forth in Section 15 below.

14. Discussions with the Bidders and Amendment of Bids

14.1. Bidders are urged to detail their Bids as extensively as possible. During all stages of the Bid examination and/or evaluation, the Company may, at its discretion, ask a Bidder for a clarification of its Bid. The request for clarification and the response may be in writing, The Company may, at its sole discretion, ask, in writing or orally, those Bidders whose Bids have been found suitable for this purpose, to amend their Bids or any part thereof, whether in one stage or more, whether due to a flaw in the Bid or not, before or after the selection of the successful Bidder to whom the Contract shall be awarded. The Company shall notify the Bidders, or some of them, as the case may be, of the deadline for the submission of amended Bids, if the Company has decided to implement such a process. For the avoidance of doubt it is hereby clarified that the above authority to amend Bids and to negotiate with one or more Bidders, does not impose any obligation on the Company to negotiate with any Bidder, to allow a Bidder to qualify in any way any instruction or requirement of the Tender Documents, or to change any part of its Bid.

14.2. The Company may also negotiate with the Bidder who has been selected to be awarded the Contract, in order to improve its Bid.

15. Criteria for selecting winning Bid

The sole criteria for awarding the Contract shall be the Overall Bid Price (100%), as defined in Form 9 (Remuneration) of Part 2 of the Tender Documents, to be calculated on the basis of the Known Sludge Quantity for the Tanks, following adjustment due to crude oil use. Out of the Bidders that submitted Bids satisfying the preliminary tender conditions, the Bidder whose Overall Bid Price is the lowest, shall be selected as the Candidate for Award.



For comparison purposes only, the Bid Price for the Tanks of Bidders whose cleaning method involves the usage of crude oil (to be provided by the Company at its expense, as specified in Section 58 of Appendix A, up to a maximum of 2,000 CBM of crude oil for every 1,000 CBM of sludge), will be increased by 10% for every 100 CBM **above** 1,000 CBM, of crude oil needed for the cleaning 1,000 CBM of sludge, up to 100%. For example, if for the Tank the Bid Price is USD 100,000 and the Bidder required in its Bid a quantity of 1,200 CBM of crude oil for each 1000 CBM of sludge for the cleaning of the Tank, the price for the Tank, **for comparison purposes only**, will increase by 20% and thus be USD 120,000.

16. Requirements of Candidate for Award and Notification of Award

16.1. The Company will notify the Bidder who has been selected as the Candidate for Award.

16.2. As a precondition to the declaration of the Candidate for Award as the winning Bidder, the Candidate for Award must:

16.2.1. Present its Ex-Situ Method Statement(s) to the Israeli Ministry of Environmental Protection, and receive its approval. If the Ministry rejects the work methods, the Candidate for Award may suggest other methods even if not detailed in its Bid (however it is clarified that in no event will its Bid Price be increased as a result, however the Company may demand a decrease if the new method proposed is less costly). It is hereby clarified that in declaring a Bidder as a Candidate for Award, the Company makes no statement regarding the probability of that Bidder's Method Statement being approved, and the Candidate for Award shall have no claim whatsoever towards the Company on the grounds of the Ministry's rejection of its Method.

16.2.2. Submit to the Company the Performance Guarantee and Insurance Certificate as required in Sections 23 and 24 of the Contract, within seven (7) days of the obtainment of the Ministry approval above.



If approval as per Section 16.2.1 above is not obtained within reasonable time, but not more than 3 days, as decided by the Company at its sole discretion, or if the Candidate for Award doesn't comply with Section 16.2.2, the Company may declare the next-lowest qualified Bid as the new Candidate for Award, or may call for new Bids.

Following the failure of the Candidate for Award to comply with Section 16.2.2, the Company may also file a claim against the Bidder for damages incurred to the Company, without prejudice to and without derogating from the Company's rights under the Contract and by law.

- 16.3. The Company shall have the right, at its sole discretion, to negotiate with the Candidate for Award, all matters pertaining to its Bid's terms and prices, and to declare it the winning Bidder only if all terms between said Bidder and the Company have been concluded to the Company's satisfaction.
- 16.4. Once the conditions above have been met, the Company shall notify the Candidate for Award that it is the winning Bidder. The notification shall be in writing by registered letter, or by electronic means with subsequent confirmation in writing by registered letter. Only a written notification shall bind the Company.
- 16.5. As soon as practicable following receipt of the notification of Award, the Company shall add its signature to the signature of the Bidder on the Contract. The Company's notification of Award shall not form a binding agreement between the Bidder and the Company. The affixing of the Company's signature to the Contract, and this alone, shall constitute a notice of acceptance and a binding engagement on the part of the Company.
- 16.6. Following the execution of the Contract with the winning Bidder, the Company will notify each unsuccessful Bidder that its Bid has been rejected. If so requested by the Company, non-successful Bidders must



return the Tender Documents, together with all information issued in connection therewith, to the Company.

16.7. The Company may, at its discretion, choose the Bidder whose Bid was ranked second in terms of price, as the alternate winner (the "**Alternate Winner**"). The Alternate Winner's bid shall then remain effective for an additional 12 months. In the event that for any reason, the Contract with the winning Bidder is terminated within 12 months from the date on which it became effective and binding, the Company shall have the right to enter into a binding engagement with the Alternate Winner, in accordance with its Bid and under the terms and conditions of the Contract.

16.8. Notwithstanding anything else to the contrary stated herein, the Company does not undertake to accept any Bid and reserves the right to reject any Bid, including the least costly Bid, or all the Bids, *inter alia*, if the acceptance thereof could result in a deviation from the Company's budget or its assessment of the cost of the Works, or if the Bidder's economic and/or security examination results are not to the Company's satisfaction. The Company may engage in negotiations with the lowest Bidder(s) at its sole discretion, in the event all valid Bids are higher than the estimate of the Company.

17. Disclosure of Information

17.1. Bidders must submit accurate information within their Bid, and must immediately notify the Company of changes to this information during the tender process. The winning Bidder shall continue to be so obligated until the completion of the Works.

17.2. The Company shall be entitled to request from any Bidder to disclose comprehensive and accurate details about itself, its business, its capital structure, its beneficial holders (and information thereof), and any other information that in the Company's opinion should be disclosed. The Company may refuse to consider the Bid of a Bidder that refuses to provide such information or submits misleading or erroneous information. If, following the Notification of Award, it becomes known to the Company



that the Bidder did not submit correct information and/or submitted only partial information, the Company may annul its Award without the Bidder having any right to compensation or reimbursement of costs.

17.3. If following the notification of Award, a Bidder requests, in writing, to view documents relating to the RFP process and the winning Bidder's Bid, the Company shall give such Bidder a copy of such documents, after deleting such parts that in the Company's opinion may prejudice the commercial or professional secrets or the privacy of a Bidder or the Company, or prejudice the State's security, its foreign relations, its economy or its public's safety. Such disclosure shall be made following a payment of NIS 1,100 or 250 Euros, that will be wire transferred to the Company's bank account, to cover the Company's costs.

17.4. The Company may determine specific confidentiality procedures, in general or in relation to specific issues, if a Bidder shall so request, but it shall be under no obligation to do so.

18. Liability

The Company shall not be liable for any expense or damage that may be caused to a Bidder due to or in connection with this RFP, and in particular due to not being awarded the Contract, the amendment of the Tender Documents or the cancellation of the tender process for whatever reason.

19. Notices

All Bidders shall indicate on Form 1 of Part 2 of the Tender Documents, their contact person for this RFP, including address, telephone number and email, for the purpose of receiving notices in connection with the RFP. Notices shall be sent by registered mail, fax or email (with PDF attachments only). Notice sent by registered mail shall be deemed received 5 business days after mailing. Notices sent by fax shall be deemed received only upon receiving telephone confirmation. Notices sent by email shall be deemed received only upon receiving telephone confirmation or written confirmation by non-automatic reply email, from the receiving party.

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Petroleum & Energy Infrastructures Ltd.
Oil Products Pipeline Ltd.

20. Governing Law and Venue

This RFP shall be governed by the laws of the State of Israel and the competent courts of the District of Tel-Aviv-Jaffo shall have sole jurisdiction over all matters and disputes arising hereunder.

21. Company's Address and Contact Details

Petroleum and Energy Infrastructures Ltd.

Attention: Mrs. Maya Ben Dor, Adv.

P.O.B. 2121, Herzeliya 46120 Israel

Fax: 972-73-2018353; Tel: 972-9-9528553; Email: proposals@pei.co.il

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Petroleum & Energy Infrastructures Ltd.
Oil Products Pipeline Ltd.

Appendix A – SOW

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Petroleum & Energy Infrastructures Ltd.
Oil Products Pipeline Ltd.

Appendix B – Timeline for the Bid Process

Deadline for submission of clarification requests from prospective bidders	<u>No later than 10:00 a.m. on October 22, 2020</u>
Deadline for amendment of the Tender Documents by the Company	<u>October 27, 2020</u>
Deadline for Submission of Bids	<u>No later than 10:00 a.m. on November 02, 2020</u>