Tender No. 020-19 (the "Tender")

Petroleum & Energy Infrastructures Ltd. / Oil Products Pipeline Ltd. (hereinafter the "Company") seeks to receive applications ("Applications") from potential applicants ("Applicants") complying with the preliminary conditions stated in the tender documents available on the Company's website at www.pei.co.il (the "Tender Documents"), in order to generate a list of entities suitable to participate in a Closed Tender ("Bidders") for the purchase by the Company of steel pipe for petroleum manufactured in a plant located in an OECD or EU country, as specified in the Tender Documents (the "Goods").

This notice is provided for the convenience of Applicants. 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.

The Goods shall be supplied DDP (Incoterms 2010) to the Company's warehouses in Israel (as provided in the Tender Documents), as per the manner of delivery specified in the Tender Documents, within 120 days of an Order as defined therein.

- 1. The Tender Documents include the following requirements:
 - 1.1. The Goods meet the requirements of the Technical Specifications in their entirety, to the Company's satisfaction.
 - 1.2. The Goods' manufacturer has, during the past 5 years prior to the Deadline for Submission of Applications, successfully supplied pipe manufactured according to the API-5L standard in an aggregate value of not less than EURO 1 million.
 - 1.3. The Applicant has, during the past 5 years prior to the Deadline for Submission of Applications, successfully supplied pipes complying at least with the requirements of the Technical Specifications, at an aggregate minimum value of USD 700,000 or EURO 625,000 or NIS 2.5 million.
 - 1.4. The Applicant's shareholders' equity as of 31 December 2018 (or as of the Applicant's last audited financial report if no audited financial reports for such period currently exist) was positive.

- 1.5. The Goods shall be manufactured in a plant located in an OECD or EU member country.
- 1.6. If the Applicant is an Israeli person or entity, it possesses valid approvals pursuant to the provisions of the Public Bodies Transactions Law, 5736-1976.
- 1.7. The bid must include a Bank Guarantee as described in the Tender Documents.

Applicants are advised of the importance of providing a bank guarantee which complies with the specific requirements set forth in the Tender Documents.

- 2. Applicants must attach to their Applications all documents proving fulfillment of the above preliminary conditions, as specified in the Tender Documents.
- 3. Applications must be placed in the Company's tender box, at the Company's offices at 3 Hasadnaot Street, Herzeliya Industrial Zone 46120, ISRAEL, by no later than **May 7, 2019**.
- 4. 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 Applicants'/Bidders' sole responsibility, and all notices, updates, announcements and/or clarifications made available to registered Applicants/Bidders thereby shall be deemed received by Applicants/Bidders upon such publication.
- 5. 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 at the Closed Tender Stage. The Company may or may not engage in negotiations with the lowest Bidder(s) at its sole discretion, in the event the all valid Bids are higher than the estimate of the Company.
- 6. 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: talmor@pei.co.il +972-9-9528614