

STATE OF ISRAEL
MINISTRY OF FINANCE - ACCOUNTANT GENERAL

To:
All Participants

April 17, 2011

Re: Invitation to Participate in a Pre- Qualification Process of
Cross Israel Northern Highway No. 6 – Yokneam - Somech
Addendum no. 2

Pursuant to the provisions of Section 2.8 (Clarification and Addenda) of the Invitation, Participants are hereby informed of the following Clarifications and Addenda to the Invitation.

As set forth in Section 2.8.5 of the Invitation, you are kindly requested to acknowledge receipt of this Addendum, no later than 2 days following receipt thereof, by a written notice to the Tender Committee, in the format attached to this Addendum as **Annex A**.

Sincerely,



Gil Shabtai

Senior Deputy to the Accountant General
Chairman of the Tender Committee

CC: Members of the Tender Committee

I. CLARIFICATIONS TO THE INVITATION

No.	Ref.	Clarification Request	Tender Committee's Response
1.	General		<p>Participants are hereby informed that the Tender Committee shall be willing to appoint a professional team on its behalf, assigned with the required security classification, for the purpose of examining classified project performed for the State and/or other governmental entities.</p> <p>Participants which intend to present classified project/s for the purpose of demonstrating any of the Professional Pre-Qualification Requirements, are requested to inform the Tender Committee as soon as possible.</p>
2.	General	Please clarify whether the Prequalification process is a short list one, or will all Participants that fulfill the Pre-Qualification Requirements be entitled to proceed to the next tender stage?	Without derogating from any other provision of the Invitation, and as set forth in Section 8.3 (Announcement of Eligible Participants) of the Invitation, those Participants which the Tender Committee deems to successfully comply with the requirements of the Invitation and which were not disqualified, shall be announced as Eligible Participants.
3.	2.11, Appendix B		Participants are hereby informed that Mr. Gil Leidner of GLRM Consultants has ceased to provide

			<p>services to the Tender Committee. The engagement between the consultant and the Tender Committee was terminated due to the existence of working relations between the consultant and one of the potential Participants, and in order to avoid the possible appearance of conflict of interests in future stages of the process.</p> <p>In light of the early stage in which the engagement was terminated, the Tender Committee determined, according to the provisions of Section 2.11 of the Invitation, that Mr. Leidner and GLRM Consultants shall not be prohibited from rendering services to Participants and/or to participate in any other manner in the Tender process and/or the Project.</p>
4.	4.2.1	Please amend Section 4.2.1 so that the tunneling experience required under Section 4.2.1 could be demonstrated through any Member in the Participant (without limitation on such Member's Anticipated Holdings in the Participant).	After reviewing the request, the Tender Committee has decided to reject it. Please note that a Member with Anticipated Holdings of less than 25% is not prevented from demonstrating the required tunneling experience as a Major Subcontractor, subject to all relevant requirements set forth in the Invitation.
5.	4.3.3.2		For the removal of any doubt, it is hereby explicitly clarified that in case the Entity demonstrating the Tunneling Experience was a

			subcontractor in the demonstrated project, and was not directly responsible for the performance of the paving works, such demonstrated project shall be related to as "other tunnel" and not as a "road tunnel".
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II. AMENDMENTS TO THE INVITATION

Reference	Amended Section
3.3.1	<p>“3.3.1 Major Subcontractors are those Entities, other than Members, which are designated to execute a significant part of the works, or are designated to provide significant services or goods, required for the Project, each of which complies with the following: ("Major Subcontractor"):</p> <p>....”</p>
4.1	<p>“4.1 Professional Pre-Qualification Requirements - General</p> <p>In order to qualify as a Participant in this Pre-Qualification Stage, each Participant is required to possess adequate professional experience, which can be demonstrated by one of the following alternatives:</p> <p><u>(a)</u> The Participant or a Member of the Participant shall demonstrate compliance with the pre-qualification requirement set forth in Section 4.2 (Tunneling Experience) <u>through the alternative set forth in Section 4.2.1.1;</u></p> <p>or -</p> <p><u>(b)</u> The Participant or a Member of the Participant shall demonstrate compliance with the pre-qualification requirement set forth in Section 4.3 (Transportation Infrastructure Project Experience), and a Major Sub-Contractor shall demonstrate compliance with the pre-qualification requirement set forth in Section 4.2 (Tunneling Experience) <u>through the alternative set forth in Section 4.2.1.1;</u></p> <p>or -</p> <p><u>(c)</u> <u>The Participant or a Member of the Participant shall demonstrate compliance with the pre-qualification requirement set forth in Section 4.3 (Transportation</u></p>

	<p><u>Infrastructure Project Experience), and the Participant, a Member of the Participant or a Major Sub-Contractor shall demonstrate compliance with the pre-qualification requirement set forth in Section 4.2 (Tunneling Experience) through the alternative set forth in Section 4.2.1.2.</u></p> <p>(the “Professional Pre-Qualification Requirements”).”</p>
4.2	<p>4.2 Tunneling Experience</p> <p>4.2.1 The Participant is required to demonstrate that either it, one of its Members whose Anticipated Holdings in the Participant are at least twenty five percent (25%), a Related Entity of such Member or one of its Major Subcontractors has experience, obtained during the period between 1.1.2004 until Pre-Qualification Submission Date, in the Construction of:</p> <p>4.2.1.1. <u>Road tunnel/s comprised of at least two (2) lanes, in a total aggregated length of at least 4.5 km;</u></p> <p><u>Or</u></p> <p>4.2.1.2. <u>Other tunnels (including railway tunnels) and/or permanent underground chambers, in a total aggregated volume of at least 360,000 m³.</u></p> <p><u>For the purpose of this Section 4.2.1.2:</u></p> <p>(1) <u>Road tunnels comprised of less than two (2) lanes and/or which do not meet the aggregated length required under Section 4.2.1.1 above, may be demonstrated for the purpose of this Section 4.2.1.2 as ‘other tunnels’, subject to all other requirements set forth in this Section 4.2.1.2.</u></p> <p>(2) <u>tunnels and/or permanent underground chambers shall not include:</u></p>

(i) mines; and/or (ii) jacked tunnels and/or tunnels or permanent underground chambers constructed by means of box jacking or cut and cover.

4.2.2 The experience under this Pre-Qualification Requirement may be demonstrated through one or more projects, provided however that:

4.2.2.1 The experience under this Pre-Qualification Requirement shall be demonstrated by only one entity.

4.2.2.2 For the purpose of Section 4.2.1.1 -The minimum length of any demonstrated ~~transportation~~ road tunnel shall be 1.5 km. For the purpose of Section 4.2.1.2 - The minimum volume of any tunnel or permanent underground chamber shall be 120,000 m³.

4.2.2.3 For the purpose of this Pre-Qualification Requirement double tunnels (each comprised of two lanes) shall be considered as two different tunnels.

4.2.3 In the event that the Pre-Qualification Requirements under this Section 4.2 is demonstrated;

(i) By a Major Sub-Contractor through the alternative set forth in Section 4.2.1.1; or

(ii) Through the alternative set forth in Section 4.2.1.2.

Then the Participant shall also demonstrate the professional experience as required under Section 4.3 (Transportation Infrastructure Projects Experience).

4.3.1	<p>4.3.1 In the event the Participant demonstrates its professional experience through alternatives <u>(b) or (c)</u> of Section 04.1, then in addition to demonstrating the Tunneling Experience, through a Major Sub-Contractor as required in Section 0 (Tunneling Experience) the Participant is required to demonstrate that either it, one of its Members whose Anticipated Holdings in the Participant are at least twenty five percent (25%), or a Related Entity of such Member, has experience obtained during the period between 1.1.2006 until Pre-Qualification Submission Date in the Construction of:</p> <p>4.3.1.1. One Transportation Infrastructure Project, in the total amount of at least one hundred and fifty million (150,000,000) NIS; or</p> <p>4.3.1.2. Several Transportation Infrastructure Projects, in the total aggregated amount of at least two hundred and fifty million (250,000,000) NIS, provided however that:</p> <p>(a) At least one of the demonstrated Transportation Infrastructure Project is in the total amount of at least eighty million (80,000,000) NIS; and</p> <p>(b) The amount of each Transportation Infrastructure Project shall be at least thirty million (30,000,000) NIS.</p>
4.4.1	<p>“4.4.1 “Construction” shall mean: the commencement, execution and completion of the demonstrated project, <u>as a main contractor, provided that such project or an independent functional part thereof (subject to all other limitations set forth in the relevant Professional Pre-</u></p>

	<p><u>Qualification Requirements</u>) was completed by the <u>demonstrating entity</u> during the applicable period. For the purpose of this definition, completion shall mean the <u>delivery of the demonstrated project or of such functional part thereof to the entity which ordered the work, or the commencement of its operation in accordance with its intended use</u>. In this respect the Participant, Member, Major Sub-Contractor, or Related Entity (as applicable) is required to demonstrate that it was directly accountable for the execution of the demonstrated project, and has borne all the risks related to the execution thereof, including the engagement and coordination with all subcontractors.</p>
Appendix B	<p>“ List of Advisors</p> <p>....</p> <p><u>Note:</u></p> <p><u>GLRM Consultants, Financial and Economic Advisors, - were permitted by the Tender Committee to render services and/or participate in any other manner in the Pre-Qualification Stage and/or the Tender Selection Stage, as referred to in Addendum no. 2 issued to the Participants”.</u></p>
Pre- Qualification Form G (Professional	<p>“1. Identity of the entity demonstrating the Pre-Qualification Requirement:</p>

Experience: Tunneling)	<p>....</p> <p><i>If the demonstrating entity is a Member or a Related Entity: The Member’s Anticipated Holdings in the Participant: _____¹%.</i></p> <p><u>1A. The Tunneling Experience is demonstrated through the alternative set forth in Section <input type="checkbox"/>4.2.1.1 / <input type="checkbox"/>4.2.1.2 to the Invitation [mark the applicable alternative].</u></p> <p>2. Project(s) Details:</p> <p>....</p> <p>Brief description of the <u>demonstrated</u> transportation tunnel project (name, location, type)</p> <p>....</p> <p><u>A. In the event the experience is demonstrated through the alternative set forth in Section 4.2.1.1 to the invitation: Total aggregated length of transportation-road tunnel constructed (Km)^{***}</u></p> <p><u>B. In the event the experience is demonstrated through the alternative set forth in Section 4.2.1.2 to the invitation: Total aggregated volume of the tunnels and/or permanent underground chambers constructed (m³)^{***}</u></p> <p>....</p> <p><u>A. In the event the experience is demonstrated through the alternative set forth in Section 4.2.1.1 to the invitation: total aggregated length of transportation-road tunnels constructed in all above demonstrated project(s) (Km)</u></p> <p><u>B. In the event the experience is demonstrated through the alternative set forth in Section 4.2.1.2 to the invitation: total aggregated volume of tunnels and/or permanent underground chambers constructed in all above demonstrated projects (m³)</u></p> <p>....”</p>
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¹ As set forth in Section 4.2.1 of the Invitation, the Anticipated Holdings in the Participant of a Member demonstrating the tunneling experience, shall be at least 25%.

Pre- Qualification Form H (Professional Experience: Transportation Infrastructure Projects)	<p>“ Pre-Qualification Form H - Professional Experience: Transportation Infrastructure Projects²</p> <p>1. Identity of the entity demonstrating the Pre-Qualification Requirement:</p> <p>....</p> <p><i>If the demonstrating entity is a Member or a Related Entity: The Member’s Anticipated Holdings in the Participant: _____³%.</i></p> <p>...”</p>
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² To be filled by the Participant in the event that its professional experience is demonstrated through alternatives (b) or (c) of set forth in Section 4.1 of the Invitation.

³ As set forth in Section 4.2.3 of the Invitation, the Anticipated Holdings in the Participant of a Member demonstrating the transportation infrastructure experience, shall be at least 25%.

Annex A

ACKNOWLEDGEMENT OF RECEIPT

To:

Mr. Gil Shabtai

Chairman of the Tender Committee

E-mail: yokneam-somech@inbal.co.il

**Re: Invitation to Participate in a Pre- Qualification Process of
Cross Israel Northern Highway No. 6 Yokneam - Somech
Addendum no. 1**

Pursuant to the provisions of Section 2.8.5 of the Invitation, we hereby acknowledge receipt of Addendum no. 1 to the Invitation.

Name of the Participant

Name and signature of the Participant's
Authorized Representative