

International EPC Public Tender for the Engineering and Construction of the Ashdod – Ashkelon Off-Shore High Pressure Natural Gas Pipeline

Israel Natural Gas Lines Ltd. (the "**Company**"), an Israeli fully owned governmental company, hereby invites Israeli and non-Israeli bidders to submit Bids for the Engineering and Construction of the Ashdod – Ashkelon Off-Shore High Pressure Natural Gas Pipeline of approximately 42km of 36" off-shore pipeline, including 2 landfall crossings (the "**Project**" and the "**Tender**"). The estimated schematic schedule for the Project is as described in the Tender Documents.

The selection of the winning bidder from the Bidders that will meet the threshold requirements and will receive the minimum quality score, shall be made on the basis of the highest final score, consisting of the quality score (20%) and the price score (80%).

Threshold Requirements

Bidder's Structure

1. The Bidder must be an entity duly organized and validly existing under the laws of the jurisdiction in which it was organized, operating as a contractor for off-shore construction works, having the capabilities and experience detailed below.

Equipment

2. The Bidder owns (including by long-term lease) a vessel designed and equipped for laying subsea pipeline of at least 36" diameter at water depth of at least 50m using S-LAY technique (this vessel to be used in the execution of the Project).

Professional Experience & Capabilities

3. EPC PROJECTS - Bidder has successfully executed and completed (including testing and commissioning) as of the beginning of 2010 until the Last Submission Date, as an EPC contractor, at least 2 off-shore oil and/or gas pipeline projects, each with at least (a) 24" in diameter; (b) 10K in length; and (c) reaching water depth of 30m.
4. TRENCHING AND BACKFILLING - Bidder (by itself or as prime contractor of a sub-contractor) has successfully executed and completed as of the beginning of 2010 until the Last Submission Date at least 2 off-shore oil and/or gas pipeline projects (a) of at least 18" in diameter; (b) reaching water depth of at least 20m; (c) with at least 4km for both projects together of trenching and backfilling of at least 0.5m TOP; and (d) trenching and backfilling surveys by post-lay trenching.
5. SUBSEA STRUCTURES - Bidder (by itself or as prime contractor of a sub-contractor) has successfully constructed and completed (including testing and commissioning) as of the beginning of 2010 until the Last Submission Date, at least 1 off-shore oil and/or gas subsea structure, with at least (a) pipework 18" in diameter; (b) 2 subsea valves of at least 18"; and (c) executed at water depth of at least 45m.
6. LANDFALL CROSSING - Bidder or a company presented in the Bid as a Sub-contractor on behalf of the Bidder has successfully executed, as of the beginning of 2010 until the Last Submission Date, landfall crossings for at least 3 pipeline projects (a) at least two by HDD or Direct Pipe method or an equivalent; one of them with pipe casing of at least 48" in diameter and the other with pipe casing of at least 30" in diameter; and (b) at least one by coffer dam methodology with at least 150m in length.
7. DETAILED DESIGN AND ENGINEERING OF PIPELINE – The Bidder's engineering department or an engineering company presented in the Bid as a Sub-contractor on behalf of the Bidder has been active as such as of 2008 and successfully executed, as of the beginning of 2010 until the Last Submission Date, the detailed design and engineering of at least 2 oil and/or gas subsea pipeline projects (a) each of at least 18" in diameter; (b) one which included a subsea structure; (c) each of

at least 10km in length; (d) each reaching water depth of at least 45m; and (e) each with minimum class ANSI 600 designed pressure.

Should the Bidder rely on its own engineering department, such department must include at least 5 engineers employed by the Bidder over (at least) the 2 years' period prior to the Last Submission Date.

Financial Requirements

8. The Bidder shall comply with all the following financial requirements:

- 8.1. The average annual turnover of the Bidder for the years 2016 – 2019 was not less than 75 million USD; and
- 8.2. Based on its audited financial statements, its equity for the end of 2019, was no less than 5 million USD; and
- 8.3. Its average yearly cash flow from operating activities for the years 2016 – 2019 was positive or, if negative, less than 25% of its equity for the end of 2019.

Key Personnel

9. The Bidder must present the following essential key personnel, having the proper qualifications and adequate experience (but no less than the minimum requirements specified in the Tender) who shall be employed (as an employee or free-lancer) by the Bidder in the management and execution of Works, should the Bidder be declared as the Winning Bidder:

- 9.1. Project Manager;
- 9.2. Offshore Installation Manager (OIM);
- 9.3. Qualified Welding Engineer;
- 9.4. Quality Control Expert;
- 9.5. HSE Manager.

General Requirements

10. The Bidder submitted the Tender Bond.

11. The bidder was not declared under the Act for Fighting Iran's Nuclear Plan, 2012, as an entity with which Israeli entities may not conduct business.

12. The Bidder made the 1,000 Euro or 4,000 NIS payment (including VAT) for the Tender Documents.

General Information

The Invitation to Submit Bids and the General Terms and Conditions of the Tender may be viewed and downloaded on the Company's website www.ingl.co.il.

In order to view and download the Technical Volumes, Bidders may send a request to the tender coordinator, Mr. Ishay Nazhan, and to the legal consultant at the following e-mail addresses: nazhan@ingl.co.il and violetta@skzlaw.co.il.

Requests for clarifications shall be sent to the tender coordinator and the legal consultant (at the above e-mail addresses) by no later than **August 15th, 2020**. The company's clarifications shall be published on the company's website.

Bidders shall submit their bids **by hand delivery only** (hand delivery by courier is approved) no later than the Last Submission Date, to the Tender box designated for this purpose, located at the Company offices: Atidim Tower (Building No. 8), 2184 St., Floor 33, Engineering Department, Kiryat Atidim, Tel Aviv, Israel.

The Last Submission Date of bids is November 1st, 2020, 17:00 (Israel time).

The above information and requirements are only generally described. The binding version of the Tender is set forth only in the Tender documents. The Company reserves the right to change the said requirements as well as any and all dates, terms or conditions, all as set forth in the Tender documents.

Bidders should follow Company's publications on the above website. The Company reserves the right to cancel the Tender, at its sole and exclusive discretion.