

Date: 15/08/19

To:

All Participants

Re: Invitation for Pre-Qualification for Participation in a Tender for the Acquisition of Holdings in Ashdod Desalination Ltd. and Ashdod Desalination – Operation Ltd. ("Invitation") – Addendum No. 6

1. All capitalized terms used and not defined herein shall have the meaning ascribed to them in the Invitation.
2. Pursuant to the provisions of Section 2.11 (*Addenda*) of the Invitation, the attention of all Participants is drawn to the Clarifications and Addendum to the Invitation, attached to this Addendum as **Appendix I**.
3. As set forth in Section 2.11(e) of the Invitation, you are kindly requested to acknowledge receipt of this Addendum, no later than 2 (two) days following receipt thereof, by a written notice to the Tender Committee, in the format attached to this Addendum as **Appendix II**.

Sincerely,

Maharan Frozenfar

CC: Members of the Tender Committee

APPENDIX I - CLARIFICATIONS AND ADDENDUM

Invitation to Bid	Section
<p>1. The Tender Committee has conducted an examination regarding the existence of conflict of interests by any of its advisors listed in Appendix C to the Invitation.</p> <p>Following submission of the Pre-Qualification Submissions, the Tender Committee has reassessed this matter. Within this reassessment, the Tender Committee has reviewed the contacts between its advisors and the Participants and their Members, on the basis of the information it received from its advisors and from the information included in the relevant Pre-Qualification Forms submitted by the Participants.</p> <p><u>Herzog, Fox & Neeman, Law Firm:</u></p> <p>The firm has certain contacts with some of the Participants, their Members and affiliates. Such contacts mainly include the provision of legal advice on various matters, including to projects, which are wholly or partially owned by such entities, including in the desalination field.</p> <p>After due consideration, the Tender Committee has decided that the firm is not prevented from continuing advising the Tender Committee in connection with the tender. The decision of the Tender Committee is based, inter alia, on the following considerations:</p> <ul style="list-style-type: none"> (a) The State involvement in the process; (b) The firm is not involved, and will not be involved in any way whatsoever, in the tender on behalf of any Participant or its Members; (c) The unique knowledge of the firm with respect to the Project and its relevance to the tender; (d) The firm's income from any such Participant or Member constitutes a negligible amount of the firm's income (less than 1%); (e) The firm is not the sole legal advisor of such Participant or Member; (f) The measures taken by the Tender Committee to limit the firm's role in the tender process, including the execution of an undertaking regarding conflict of interests and confidentiality and the appointment of an additional external legal advisor to the Tender Committee who has no connections to the Participants or their Members. <p><u>Giza Singer Even:</u></p> <p>The firm has certain contacts with some of the Participants, their Members and affiliates. Such contacts mainly include the provision of financial advice on various matters, including to projects, which are wholly or partially owned by such entities,</p>	<p>Section 2.14 of the Invitation.</p>

including in the desalination field.

After due consideration, the Tender Committee has decided that the firm is not prevented from continuing advising the Tender Committee in connection with the tender. The decision of the Tender Committee is based, inter alia, on the following considerations:

- (a) The State involvement in the process;
- (b) The firm is not involved, and will not be involved in any way whatsoever, in the tender on behalf of any Participant or its Members;
- (c) The knowledge of the firm with respect to the financial aspects of the Project and its relevance to the tender;
- (d) The firm's income from any such Participant or Member is not substantial;
- (e) The firm is not the sole finance advisor of such Participant or Member;
- (f) The measures taken by the Tender Committee to limit the firm's role in the tender process, including the execution of an undertaking regarding conflict of interests and confidentiality and the appointment of an additional external financial advisor to the Tender Committee.

GKH, Law Firm:

The firm has certain contacts with some of the Participants, their Members and affiliates. Such contacts mainly include the provision of legal advice on various matters, including to projects, which are wholly or partially owned by such entities, including in the desalination field. Furthermore, a senior partner at the Firm, is a minority shareholder in one of the Participant's ultimate parent company, and provides the group consulting services.

After due consideration, the Tender Committee has decided that the firm is not prevented from continuing advising the Tender Committee in connection with the tender. The decision of the Tender Committee is based, inter alia, on the following considerations:

- (a) The State involvement in the process;
- (b) The senior partner is not in any way involve whatsoever, in the tender, has no knowledge or information in connection to the Project and commits not to be involved in any way in providing any services in connection with the Project throughout the entire tender process;
- (c) The firm is not involved, and will not be involved in any way whatsoever, in the tender on behalf of any Participant or its Members;
- (d) The firm handles only the following proceedings: support and providing guidance in obtaining approvals and processes of regulatory proceedings including processes with the "Government Companies Authority", corporate

related counsel, "data room" issues support and any other related required support and counsel;

- (e) The measures taken by the Tender Committee to limit the firm's role in the tender process, including the execution of an undertaking regarding conflict of interests and confidentiality and the appointment of an additional external legal advisor to the Tender Committee who has no connections to the Participants or their Members.

M-Faculty:

The firm has certain contacts with one of the Participants and one of its affiliates, not in the desalination field.

After due consideration, the Tender Committee has decided that the firm is not prevented from continuing advising the Tender Committee in connection with the tender. The decision of the Tender Committee is based, inter alia, on the following considerations:

- (a) The State involvement in the process;
- (b) The firm is not involved, and will not be involved in any way whatsoever, in the tender on behalf of any Participant or its Members;
- (c) The firm will not attend any discussion concerning this Participant;
- (d) The measures taken by the Tender Committee to limit the firm's role in the tender process, including the execution of an undertaking regarding conflict of interests and confidentiality and the appointment of Mekorot Development & Enterprise Ltd's CEO to the project management staff.

APPENDIX II - ACKNOWLEDGMENT OF RECEIPT

To: Mr. Maharan Frozenfar
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Fax: +972-3-303-6365
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Re: Invitation For Pre-Qualification for Participation in a Tender for the Acquisition of Holdings in Ashdod Desalination Ltd. and Ashdod Desalination – Operation Ltd. – Addendum No. 6

Pursuant to the provisions of Section 2.11(e) of the Invitation, we hereby acknowledge receipt of Addendum No. 6.

Name of the Participant

Name and signature of the Participant's
Authorized Representative