



PUBLIC TENDER NO. 5/20

**INVITATION TO PARTICIPATE IN PRE-QUALIFICATION
PROCESS**

**IN THE FRAMEWORK OF A TENDER FOR THE SELECTION
OF
A PROMOTER TO DESIGN, BUILD, OPERATE,
MAINTAIN AND DELIVER A CABLE CAR (FUNICULAR)
TO THE OLD CITY OF JERUSALEM**

AUGUST 2020

Document A

Invitation for proposals in pre-qualifying process

**INVITATION FOR PROPOSALS IN A
PRE-QUALIFICATION PROCESS (P.Q.)
IN THE FRAMEWORK OF A TENDER FOR THE SELECTION OF A
PROMOTER TO DESIGN, BUILD, OPERATE, MAINTAIN AND
DELIVER A CABLE CAR (FUNICULAR)
TO THE OLD CITY OF JERUSALEM**

1. The Jerusalem Development Authority (hereinafter: "**the Customer**") hereby invites bidders to participate in a pre-qualification process of a tender for selecting a promoter to design, build, operate, maintain and deliver a cable car (funicular) to the Old City of Jerusalem by the D.B.O.T. (Design, Build, Operate, Transfer) method (hereinafter: "**the Project**").
2. The Tender is divided into two main parts: the first stage, the pre-qualification stage (the present stage), in the scope of which the candidates eligible to compete in the Tender will be chosen (hereinafter: "**the Pre-Qualification Process**"); the second stage, the request for proposals in the tender stage (RFP), in which only bidders who have received notice from the Customer of their having passed the Pre-Qualification Stage will participate (hereinafter: "**the Request for Proposals Stage**").

Submission of a bid in the Pre-Qualification Process does not oblige the bidder to submit a bid in the Request for Proposals Stage.
3. The documents for the Pre-Qualification Process can be downloaded from the Customer's internet website: www.jda.gov.il (under the tab "Tenders") (hereinafter: "**the Internet Website**").

Participation fees

4. Those interested in participating in the Tender are required to pay a participation fee in the sum of NIS 5,000, which will not be returned under any circumstances, and such payment must be made not later than the last day for payment of participation fees and for the sending of clarification questions, as stated in Paragraph 5 below. The participation fee shall be paid by way of bank transfer to Account No. 229099, branch 43600 at Bank Hapoalim. The following must be mentioned in the particulars of the transfer "**For participation in Tender 5/20**". After making the payment, written proof shall be sent to Mrs. Yael Esther Maymon via e-mail: yaelm@jda.gov.il, indicating the name of the bidder, particulars of the authorized representative on its behalf and his contact details (name, telephone, address, and e-mail address). The bidder must verify receipt of the written proof and details of the contact person by return e-mail. The authorized representative shall serve as the contact

person and as authorized representative of the bidder for all intents and purposes in the Pre-Qualification Process and in the remaining stages of the Tender.

Timetable

5. The timetable for the submission of bids in the Pre-Qualification Process will be as follows:

Participants' meetings (<u>optional</u>), which will be held at the Customer's offices, 2 Safra Square, Jerusalem	1. October 12, 2020 at 10:30 2. October 19, 2020 at 10:30
Last date for payment of participation fees in the Pre-Qualification Process (<u>compulsory</u>) and for the sending of clarification questions for this stage	November 5, 2020 at 14:00
Last date for submission of bids in the Pre-Qualification Stage	November 30, 2020 at 14:00

The Customer is entitled at any time to give notice of a change in the abovementioned times up to the last date for submission of bids in the Pre-Qualification Stage. The Customer is also entitled to set additional dates for participants' meetings.

Pre-Qualification Stage Documents

6. The Pre-Qualification Stage documents are attached and include the documents described below:
- 6.1 Invitation to submit bids in the Pre-Qualification Stage (this document) – **Document A**;
 - 6.2 Submission of bid form – **Document B**;
 - 6.3 Affidavits for proving compliance with threshold conditions (Paragraph 24 of the Invitation) – **Document C**;
 - 6.4 Manufacturer's confirmation for proving compliance with threshold conditions (Paragraph 25 of the Invitation) – **Document D**;
 - 6.5 Auditor's certification regarding turnover, equity capital and cash flow (Paragraphs 26-30 of the Invitation) – **Document E**;
 - 6.6 Auditor's certificate regarding solvency (Paragraph 31 of the Invitation) – **Document F**;
 - 6.7 Form of undertaking by parent company – **Document G**;
 - 6.8 Declaration of partners in a joint venture – **Appendix H**;

- 6.9 Affidavit regarding employment of foreign workers, payment of minimum wage and abiding by the Equal Rights for Persons with Disabilities Law – **Document I**;
- 6.10 Confirmation of rights of signature in corporation – **Document J**;
- 6.11 NIP 86 regulations and the plan drawing – **Document K**;
- 6.12 Design documents made by the Customer and which constitute part of NIP 86 – **Document L**;

These documents, together with the appendices thereto, will henceforth be referred to collectively and individually as – "**the Pre-Qualification Stage Documents**".

General Description of the Project

- 7. The details presented below are solely for purposes of a general description of the Project, and they shall not be relied upon as binding details. Only the provisions of the signed contractual agreement, together with the appendices thereto (which will be published at the Request for Proposals Stage), and the design documents – as have been approved and will be approved by the planning committees and the authorized design entities – are the binding documents.
- 8. The Old City of Jerusalem and the Western Wall are the major focal tourist attractions in Israel (approximately 11 million visitors in 2018, and about 12 million in 2019). Because of the problems of access to the Old City and to the Western Wall, a plan has recently been approved for constructing a cable car (funicular) that will lead from the Old Railway Station, on David Remez Street in the center of Jerusalem, to the Dung Gate region, which leads to the Western Wall.
- 9. The cable car project is expected to be part of the public transport system in the Jerusalem metropolitan area, having access to sites of national, universal and tourism importance for all religions and an improvement of access to the neighborhoods in the southern section of the Old City (including: Wadi Hilweh, Silwan, City of David) and the Old City quarters (the Jewish Quarter, the Armenian Quarter and Mount Zion).

The cable car will provide a transportation solution in a region having severe topographical constraints, with limited capacity for roads infrastructure, and in close proximity to historical archaeological sites and religious buildings.
- 10. The Project is approved by statute as a national infrastructure program – National Infrastructure Plan (NIP) 86 (hereinafter: "**the Valid Plan**"). The regulations and the drawing for the Valid Plan are attached as **Document K**. It is possible to obtain detailed information about the plan and the appendices thereto, including a traffic plan, survey regarding the impact on the surrounding area and so forth, on the Design Administration website at the address: <https://mavat.iplan.gov.il/SV3?searchEntity=1> (according to details of the plan: NIP 86).
- 11. The following are a number of items of design and professional data about the Project, subject to the provisions of the Valid Plan:

- 11.1 The length of the route is about 1.4 kilometers in a strip width of approximately 30 meters and includes up to 15 pillars (not including the station pillars).
- 11.2 The cable car will have a capacity of approximately 3,000 passengers per hour in each direction at peak hours. Each car will have a capacity of about 10 passengers.
- 11.3 The layout of the cable car is expected to interface with the public transport system, and is expected to be connected to the mass transport system planned for Jerusalem, including the Blue Line of the Light Railway which is planned to operate between the suburb of Ramot in north-west Jerusalem and the neighborhood of Gilo in the southwest of the city. In the framework of the Blue Line, a Light Railway station is planned close to the "First Station" area (in proximity to the Khan Theater building and the Liberty Bell Garden) which is the starting station of the cable car. It is clarified that the mass transportation system in Jerusalem is not under the Customer's responsibility, and the above information is presented for information of bidders only, without the bidders having any claim against the Customer in connection with the matters stated above.
- 11.4 The cable car system goes through the topmost corridor (the mass passenger transportation system strip) above the ground according to what is marked in the building and development appendix for sections of the Valid Plan.

The area of the mass passenger transportation systems strip limits will be expropriated for purposes of the Project pursuant to the Valid Plan, subject to the law. It is clarified that the expropriation is not a task imposed on the winner of the Tender.

- 11.5 The Project comprises 3 passenger stations and in addition an operating station (which will be designed, built and operated by the winning bidder):
 - 11.5.1 Passenger Station A – in the precincts of the Old Railway Station.
 - 11.5.2 Depot Station B – in an open public area / the Garden for the Blind, being an operating station only, which serves for storage and repairs and handling workshop, without passengers embarking or alighting.
 - 11.5.3 Passenger Station C – at the outer perimeter of the Mount Zion underground parking garage.
 - 11.5.4 Passenger Station D – which integrates (physically and technologically) with the building of the Kedem Center that has been approved pursuant to Plan 13542 (Kedem complex – City of David – Old City basin; hereinafter: "**the Kedem Building**").

It is clarified that at the time of publication of this Invitation, the Kedem Building has not yet been erected. The erecting of the Kedem Building is not a task imposed on the winner of the Tender, and the engineering works for constructing Station D on the Kedem Building are not imposed on the winner of the Tender. It must, however, be made clear that it will be the promoter's responsibility to take action for the adjustment and integration of the Project's systems into the building and for performing all the necessary adjustments, including full coordination with the Customer and with the Moriah Company (which is expected to erect the Kedem Building and to be responsible for the civil engineering of the building), in order that integration of all the systems and the component parts of the cable car will be done properly and at an excellent professional standard.

It is further clarified that in the scope of the Project an underground passageway for pedestrians is planned, from Station D to Tanners' Gate and Dung Gate. The passageways will include conveyor belts and elevators for accessible and inviting passage for improving accessibility. Responsibility for constructing the underground passage and the ancillary systems is not under the responsibility of the winner of the Tender.

Details of the promoter's tasks in this connection will be provided in the Request for Proposals Stage (R.F.P.). The Customer reserves the right to change the format of the contractual arrangement in this regard and to impose the responsibility for erecting Station D, and the engineering works connected with it, on the winner of the Tender, as will be more fully particularized at the Request for Proposals Stage.

Brief description of the tasks imposed on the winner of the Tender

12. The Tender is according to the D.B.O.T. method in the scope of which the winner of the Tender (hereinafter: "**the Promoter**" or "**the Winner**") will design, build, operate and maintain the Project and everything connected with it, and at the end of the period of the contractual arrangement will deliver the Project, together with all parts thereof, to the Customer and/or to someone on its behalf. All the works will be performed by the Promoter in full coordination with the Customer and subject to the Customer's approval for each stage and product of the works generally, and the works pertaining to the design of the Project in particular.
13. Design of the Project
 - 13.1 The Promoter will be required to complete preliminary, final and detailed design for execution of the Project as a whole, together with all the parts and systems thereof (including stations, depot, pillars, the cable car systems and so forth), and shall act to procure the issue of a building permit for the Project in accordance with the Valid Plan, the agreement with the Customer including the technical requirements that will be specified in the scope thereof, and the other instructions that will be prescribed in the Request for Proposals process, and according to the provisions of the law.
 - 13.2 The Promoter will be required to obtain approval for the Project design documents, including all the parts and products thereof from the Customer, who will be entitled to order any adjustment and/or amendment and/or change in the aforesaid. The Promoter will not file official applications and papers with the competent authorities and will not perform any works in the area, prior to the Customer's prior approval. It is clarified that the design documents will, wherever necessary, require the approval of the Jerusalem Municipality and/or the National Infrastructures Committee.
 - 13.3 Full responsibility for the design of the Project and everything arising from it is imposed on the Promoter.
 - 13.4 Without derogating from the foregoing, it is brought to the notice of bidders that the Customer is carrying out initial and non-comprehensive preliminary and final planning and design (which is not detailed design) for purposes of going forward with the Project and the statutory process.

The Promoter shall be entitled to make use of these design documents for its convenience and at its discretion, but whether or not the Promoter makes use of these documents, the design of the Project and everything arising from it will be under the Promoter's sole and absolute responsibility. By its participating in this process, the Promoter irrevocably waives in advance any argument and/or claim and/or demand against the Customer and anyone on its behalf in connection with the design documents and in connection with the planning that has been performed, including any allegation regarding error, non-conformity, deviation from the design and so forth. The use of these documents is under the Promoter's sole and exclusive responsibility.

- 13.5 Without derogating from the foregoing, the detailed design of the facades of stations A, B and C will be performed by the Customer. The Promoter will be required to coordinate the design of the Project with the Customer, and to integrate the detailed design of the facades in the design documents of the Project which are prepared by it.

14. Safety and legal requirements

- 14.1 The Project and every part thereof shall be executed by the Promoter in accordance with the safety instructions and procedures that have been laid down and/or will be laid down by the competent authorities, the contractual agreement and the provisions of any law, and to whatever extent is required for purposes of the safety of the Project and the persons who use it.

Without derogating from the foregoing, the Project and every part thereof shall be executed by the Promoter in accordance with the accepted European standard with respect to cable cars and funiculars, which shall include:

- 14.1.1 Compliance with the European standard that is approved for building, operation and maintenance of cable cars and funiculars.
- 14.1.2 Proof of safety – proof of safety will be demanded in accordance with the methodology principles of RAMS standards that are accepted in Europe for proving of safety for trains and for rail transport – including the preparation of safety arguments/files (safety case).
- 14.1.3 Proof of safety shall be accompanied by an assessment by an independent safety assessor (ISA) – this assessor shall hold authorization and international certificates for purposes of ISA.
- 14.1.4 Authorization for safety management systems (SMS) including authorization for quality control with respect to the ISO 9001 and ISO 45001 safety at work standards.
- 14.2 Specific instructions regarding these conditions, in whole or in part, and also in relation to the manner of proving them, may be published at the Request for Proposals Stage.

15. The Project and every part thereof, including all the Promoter's works, shall be carried out in accordance with any law, including any revision or update and amendment that may apply in a law, which shall include:

- 15.1 Any law and regulation that is in force in the State of Israel.
- 15.2 Municipal bylaws.
- 15.3 Any Israeli standard.
- 15.4 Instructions and procedures of any competent authority.

It is clarified for the information of the Bidders that at the date of publication of this Invitation, the regulatory entity charged with the field of cable cars and funiculars in Israel is the Railways Division at the National Public Transport Authority at the Ministry of Transport. The Railways Division at the Ministry of Transport and/or any alternative or additional party that is charged with matters relating to cable cars and funiculars and/or any additional subject in the framework of the Project, can demand regulatory approvals from government ministries and additional authorities as a pre-condition to the operation of the Project (including fire brigade approval, approval of work safety, dangerous substances, permits in the sphere of labor law, etc.). The Tender documents do not fully exhaust the requirements from the Project, and it is the responsibility of the Promoter to carry out all the examinations and to obtain all the approvals required for purposes of the design, building and operation of the Project.

16. Additional details regarding tasks of the Winner of the Tender

The Project will include all the cable car components and the supporting systems necessary for the design, construction, tests, operation, safety and maintenance of the Project, even if not specifically stated, in order to ensure sound and proper operation of the Project. In addition, the Promoter will be responsible for the integration and synchronization of the various elements in the Project (design and execution of engineering construction, design and execution of the cable car systems and the remaining technological systems, operation and maintenance of the Project) and for completion of all the tasks that may be demanded up to the full and proper operation of the Project, and all the remaining tasks that may be required during the period of operation and the maintenance, including:

- 16.1 Construction of the Project in one go by means of the proposed contractor and the manufacturer, without the work being split into phases.
- 16.2 Design and construction of the stations (including assimilation and integration of the systems in the Kedem Building, as referred to in Paragraph 11.5.4 above).
- 16.3 Design and construction of the depot (Station B) for the storage of at least 90 cars in an underground building.
- 16.4 Design, providing of foundations and erecting approximately 15 pillars at varying heights (the number of pillars is likely to change in accordance with the detailed design, and subject to the Valid Plan).
- 16.5 Procurement, supply and installation of cars of the "gondola" type by way of DMG/MDG technology (Detachable Monocable Gondola, Monocable Detachable Gondola, hereinafter: "**DMG**"), and all the ancillary systems for purposes of the establishment, construction and operation of the Project.

- 16.6 Design and installation of all the cable car systems, including design and performing of various tests and trial-runs prior to commercial operation, training and authorization of maintenance and operations crews, extraction, rescue, first-aid teams and so forth, all of which shall be before commercial operation and as a precondition to it.
- 16.7 Maintenance and operation of the Project, including all its component parts, including the operation of the technological systems and their maintenance, cleaning, insurance and any additional demand from the Ministry of Transport that there may be for purposes of operation, etc., and any requirement there may be in the scope of the contractual agreement and any law.
- 16.8 Collecting payment from users – means of ticketing, travel arrangements, agreements and special discounts, which the Promoter will be required to implement in the Project and at all times to maintain a supply of "Rav-Kav" tickets in reloading stations, will be detailed in the Request for Proposals Stage documents (R.F.P.). For purposes of traveling on the cable car, users of the Project will be able to make use of Rav-Kav tickets and by forms of payment (electronic and other) that will exist in the future, in accordance with the provisions of the agreement that will be published at the Request for Proposals Stage. The payment arrangements will be in accordance with the procedures of the Ministry of Transport and according to the laws, orders and regulations as will be in force from time to time.
- 16.9 Obtaining all the necessary approvals for purposes of the Project, the construction and operation thereof, and including:
 - 16.9.1 Approvals and safety approvals from all the relevant entities and the competent authorities, including approval from the Israel Police, the Fire and Rescue Services, the Ministry of Environmental Protection, ISA (independent safety assessments), the Antiquities Authority, the Nature and Parks Authority, authorized safety laboratories and the Ministry of Transport, and any other approval that may be required under the agreement and according to any law, for purposes of the design, building and operation of the Project.
 - 16.9.2 A building permit/s pursuant to the Valid Plan, subject to coordination with the Customer and obtaining its approval, and with the approval of the design committee for national infrastructures and subject to the provisions of the Valid Plan and of any law.
 - 16.9.3 Initial approvals for occupation and certificates of completion from the competent authorities.
 - 16.9.4 Conformance with infrastructures permits and related operations.
- 16.10 Recruitment, absorption, training and authorization of the teams of workers required for the operation and maintenance of the Project in accordance with the provisions and requirements that will be published in the Request for Proposals Stage and in accordance with the provisions of any law, and inter alia:
 - 16.10.1 An operations manager;
 - 16.10.2 An assistant operations manager;

16.10.3 An electricity crew manager;

16.10.4 A machinery crew manager.

Members of the team will be in charge of aspects of safety, operation and maintenance of the systems and the Project.

17. All the component parts of the Project will be under the sole responsibility of the Promoter, whether same were supplied/installed by it, or by someone on its behalf, including as described below:

17.1 Civil engineering, including all the civil engineering systems as described in the Valid Plan and including infrastructures and additional systems, which include:

17.1.1 Passenger stations;

17.1.2 The construction of technical rooms;

17.1.3 Intermediate station for altering direction and the removal of cars for storage and maintenance by means of an automatic device;

17.1.4 An underground building for the depot;

17.1.5 A pedestrian bridge which improves access to Ma'ale Shazkh Street on Mount Zion via Station C;

17.1.6 Development works around the stations and the pillars throughout the full length of the cable car route, and including: excavations, casting of pillars, protection systems, safety systems, landscape development, access roads to the pillars, etc.;

17.1.7 Foundations for the pillars;

17.1.8 Communications infrastructure;

17.1.9 Infrastructures for security and guarding systems;

17.1.10 Preparation for management of buildings;

17.1.11 Means of communicating information to the public (signboards and directional signposts).

17.2 All the cable car systems that will be supplied by the cable car manufacturer who has been approved in the scope of this Tender, and shall be installed in the Project, including:

17.2.1 Command and control systems;

17.2.2 Maintenance software;

17.2.3 Reporting system;

17.2.4 Engine;

17.2.5 Generators;

17.2.6 Pillars;

17.2.7 Propulsion cables;

17.2.8 Drive wheels at stations ("pulley");

- 17.2.9 Set of small wheels at stations and on pillars;
 - 17.2.10 Cars;
 - 17.2.11 Conveyor belts on gradients and on level surfaces at depot;
 - 17.2.12 Various systems for the cable car setup that are required for providing the service.
- 17.3 All the technological systems that will be supplied and installed in the Project by the Promoter and anyone on its behalf, including:
- 17.3.1 Ticketing and collection system – including reloading stations, ticket readers, an application for reloading of tickets and/or selling of vouchers, means of clearing etc.
 - 17.3.2 Rates connected to the ticketing system;
 - 17.3.3 Security and guarding system, including cameras and in accordance with the requirements of the police;
 - 17.3.4 Electronic signboard system for providing information to the public;
 - 17.3.5 Passive communication;
 - 17.3.6 Active communication;
 - 17.3.7 Computers and computer equipment infrastructures;
 - 17.3.8 Telephony;
 - 17.3.9 Command and control system for monitoring proper working condition of the technological systems and infrastructures;
 - 17.3.10 Reporting system;
 - 17.3.11 Diary of events system;
 - 17.3.12 Public complaints and inquiries systems;
 - 17.3.13 Information protection system;
 - 17.3.14 Public address system for providing information to the public;
 - 17.3.15 Building maintenance systems.
- 17.4 Coordination and integration works with all the projects being promoted in the region, including:
- 17.4.1 Coordination with all the relevant entities connected with works of the Light Railway, including matters connected with the Blue Line and the Gold Line;
 - 17.4.2 Coordination with all the relevant entities connected with erecting the fast train station in accordance with National Infrastructure Plan NIP 108, including the design team of Israel Railways.
18. Timetable for the Project (subject to the provisions of the Tender documents at the Request for Approvals Stage):

18.1 Design of the Project, building construction, procuring all the approvals necessary for completion of the Project and the use thereof, trial-run and obtaining certificate of completion from the Customer – 36 months from the date the commencement of work order is issued.

18.2 Operation and maintenance of the Project – 6 years from the date of receipt of certificate of completion.

The Customer has the option to extend the period of operation and maintenance by two additional periods of 3 years each, as shall be specified in the contractual agreement.

At the end of the period of operation, the Winner shall deliver the Project to the Customer, including all the systems thereof, where same are working and in good and proper order.

18.3 After receipt of a certificate of completion of construction of the Project, and even if the contractual arrangement between the parties should come to an end for any reason, the Winner, either directly or through the cable car manufacturer, will be required to continue to supply support services, equipment and spare parts for sections of the Project, upon the Customer's requests, as follows:

18.3.1 The cable car systems (including as described in Paragraph 17.2 above) – for a period of 30 years from the date of receipt of the certificate of completion.

18.3.2 Technological systems (including as described in Paragraph 17.3 above) – from the date of receipt of the certificate of completion, as follows:

18.3.2.1 Ticketing system – 12 years;

18.3.2.2 Gates connected to the ticketing system – 12 years;

18.3.2.3 Security and guarding system – 12 years;

18.3.2.4 Electronic signboard system for providing information to the public – 12 years;

18.3.2.5 Passive communication – 30 years;

18.3.2.6 Active communication – 12 years;

18.3.2.7 Computer infrastructures – 12 years;

18.3.2.8 Telephony – 12 years;

18.3.2.9 Command and control system for monitoring proper working order of the systems and the technological infrastructures – 12 years;

18.3.2.10 Reporting system – 12 years;

18.3.2.11 Diary of events system – 12 years;

18.3.2.12 Public complaints and inquiries system – 12 years;

18.3.2.13 Information protection system – 12 years;

18.3.2.14 Public address system for providing information to the public – 30 years.

18.3.3 Design and execution of the concreting works and pedestrian bridge in the Project will be in accordance with a lifespan of 120 years from the date of receipt of the certificate of completion.

Any infrastructure, technological system and other component part in the Project that has not been mentioned above – shall be designed and erected in such a way that their lifespan will be approximately 30 years from the date of receipt of the certificate of completion for the Project, in accordance with the specific provisions that will be stipulated in the contractual agreement with the Promoter.

19. The consideration to the Promoter

In consideration for the performance of all the Promoter's tasks and assignments on due date and in full in accordance with the contractual agreement (which will be published at the Request for Proposals Stage), the Promoter will be entitled to receive the following consideration/receipts:

19.1 Payment from the Customer in respect of **erecting and constructing the Project**, in accordance with the Promoter's monetary bid in the Tender, which will be submitted at the Request for Proposals Stage.

19.2 An annual payment from the Customer for **operation of the Project and maintenance thereof**, in accordance with the Promoter's monetary bid in the Tender, which will be submitted at the Request for Proposals Stage.

19.3 The Winner will be entitled to a certain payment from the Customer (or someone on its behalf) in respect of the actual use of the Project by passengers (rides), in accordance with rules that will be specified in the Request for Proposals Stage.

It is clarified that it will be the Winner's responsibility to collect payment from users of the Project by means of a "Rav-Kav" ticket, and/or any means of payment that are customary according to the directives of the Ministry of Transport, but the full receipts from users will belong to the government and/or to any entity as may be decided by the Customer, except a certain amount in respect of each ride, which will be transferred to the Promoter by the Customer (or someone on its behalf), as stated at the head of this sub-paragraph.

19.4 Additional information regarding revenues from commercial advertisements in the Project (to the extent that this is possible) and the manner of division thereof, as well as the full details regarding the conditions and arrangements for payment of the consideration denominated above – will be published by the Customer in the Request for Proposals Stage.

19.5 Except as stated above in this clause, the Winner will not have any additional rights in the Project, and any receipt, right and profit that may derive from the Project will belong to the Customer in their entirety.

20. Miscellaneous

20.1 It is the intention of the Customer and/or someone on its behalf to perform works for promoting availability in the areas of the Project, such as: the moving of certain infrastructures to other locations, certain excavations for the removal of antiquities, expropriations and compensation to parties whose land has been expropriated, initial coordination with certain interested parties, all subject to the provisions that will be published at the Request for Proposals Stage, and subject to the contractual agreements that will be signed with the Winner (hereinafter: "**Promotion of Availability Works**"). The Customer will be responsible for the Promotion of Availability Works that will be performed by it. It is clarified that nothing in the foregoing and/or in the Promotion of Availability Works that will be carried out/that will not be carried out in actual practice, will not have the effect of derogating from the Promoter's full obligations in connection with the Project, including the Promoter's responsibility to supply and to provide a full, effective and the best answer to all the problems and the obstructions in the Project, with the aim of executing the Project in the best possible way in accordance with the provisions of the agreement and the law.

20.2 It is hereby brought to the notice of the Bidders that at the date of publication of this process a number of legal petitions are pending in relation to the Valid Plan, and the actual implementation of the Project and/or any change therein will be dependent, inter alia, on the decisions that are given in these petitions.

20.3 The Tender process and the contractual arrangement with the Winner are subject, inter alia, to the Mandatory Tenders Regulations, which include the Mandatory Tenders Regulations (Obligation for Industrial Cooperation), 5767-2007, and to the Authority's procedures for industrial cooperation, as will be published in the scope of the Request for Proposals Stage.

21. Validity of the information in this Invitation and obligation for carrying out independent examinations by the Bidders

It is clarified that the matters stated in this Invitation and all the appendices hereto are in the nature of being initial information for purposes of describing the Project in the framework of the Pre-Qualification Process, and it does not fully cover all the works and the tasks which the Promoter will be required to perform and/or the approvals the issue of which the Promoter will be obliged to obtain in connection in the Project. The Promoter's final tasks will be prescribed in the framework of the contractual agreement that will be published at the Request for Proposals Stage.

It is further clarified that the final structure of the consideration, the milestones for payment and all the remaining details of inter-accounting between the Customer and the Winner of the Tender will be prescribed in the Request for Proposals Stage (R.F.P.) in the Customer's sole and absolute discretion. No allegation by the Bidders regarding reliance on what is stated in this Invitation will be entertained, and the Customer is entitled, in its sole discretion, to alter the conditions of the consideration as specified above and/or to subtract therefrom and/or to add thereto.

The furnishing of any data shall not have the effect of imposing any responsibility on the Customer with regard to the correctness and/or accuracy thereof and/or of fully covering the data that are relevant to the Project and/or the risks connected with the Project and/or of obliging the Customer to bring the Project and any part thereof to fruition and/or of derogating from its right to cancel the Project for any reason, including explicitly by virtue of budgetary and/or other regulatory considerations.

It is the responsibility of the Bidder to carry out an examination, independently and through experts on its behalf, of all the planning and zoning data connected with the Project, any other information presented in this Invitation, including legal, proprietary, engineering, economic information and so forth, and any additional item of data that is required for purposes of submitting its bid in the Pre-Qualification Process and in the Request for Proposals Process in the Tender and for purposes of performing and executing the Project, prior to submission of bids in the Pre-Qualification Process and in the bids stage in the Tender. In any event, only the provisions of the agreement that will be signed by the Customer will be binding on it.

By submitting its bid, the Bidder unreservedly and unconditionally agrees to the contents of this paragraph and waives any allegation or argument in the said connection.

Threshold conditions for participating in the Pre-Qualification Process

Only a Bidder who meets all the threshold conditions set forth in Paragraphs 22 - 33 below will pass the Pre-Qualification Stage and will be able to submit its bid in the Request for Proposals Stage (R.F.P.).

Identity of the Bidder

22. The Bidder is a dealer (individual or corporation), as defined in the Value Added Tax Law, 5736-1975 (hereinafter: "**Dealer**"), or in the alternative,

The Bidder is a joint venture (consortium) of up to four Dealers, or of up to three Dealers and a foreign company (which is duly incorporated according to the laws of its place of registration), who have joined together for purposes of submitting a bid in this Tender (hereinafter: "**Joint Venture**" and "**Partner**", respectively), whether by way of a joint venture pursuant to the provisions of this Invitation, or by way of a special purpose corporation (S.P.C.) which has been established by the Partners (as shareholders) for purposes of this Tender after the date of publication of the Pre-Qualification Process (hereinafter: "**Special Purpose Corporation [SPC]**" and "**Shareholder in an SPC**"), respectively).

- 22.1 A historical operator, as this term is defined below, will be able to submit a bid in the Tender (whether as an individual bid, or as a Partner in a Joint Venture or as a shareholder in an SPC corporation) only through a subsidiary or company affiliated to it, and not itself.

"Historical operator" – Egged, Israel Transport Co-operative Society Ltd., Dan Public Transport Company Ltd., Nazareth Travel and Tourism Company Ltd., Nazareth United Bus Services Ltd., G.B. Tours Ltd., Southern Buses Company Ltd., Jerusalem – Ramallah Bus Company Ltd., Isawiya Shuafat Camp Bus Company Ltd., Mount of Olives Bus Company Jerusalem Ltd., Abu Tor Anata

Public Transport Bus Company Ltd., Alwasat Public Transport Company Ltd. and Zur Baher United Bus Company Ltd.

22.2 A Joint Venture that is declared Winner of the Tender will be entitled to establish a special purpose corporation (S.P.C.) after winning the Tender, subject to the provisions of the Tender documents in the Request for Proposals Stage (R.F.P.), while preserving the identity between the partners in the Joint Venture and their percentage holdings in the SPC corporation.

The Bidders will not be entitled to change the extent of their holdings in the Bidder after submission of their bid (whether as partners in a Joint Venture, or as shareholders in an SPC corporation), except subject to the provisions of the contractual agreement.

22.3 The Bidder, including partners in a Joint Venture and shareholders in an SPC corporation, and every officer and interested party in them, are not "a resident" or "a citizen" in a country or state that does not maintain diplomatic relations with the State of Israel. It is clarified that this restriction will remain in force in relation to the Winner of the Tender until the end of the contractual arrangement with it.

Professional threshold conditions

23. Set forth below are definitions of the terms that appear further on:

23.1 "**Control**" – as the term is defined in the Securities Law, 5728-1968.

23.2 "**Parent Company**" – a company holding control in the Bidder or in a Partner in a Joint Venture or in a shareholder in a SPC corporation.

23.3 "**Subsidiary**" – a company controlled by the Bidder or by a Partner in a Joint Venture or by a shareholder in an SPC corporation.

23.4 "**Holdings in the Joint Venture**" – the direct holdings of a Partner in an identical percentage in the debts, rights, profits and managerial rights in the Joint Venture.

23.5 "**Transportation infrastructures**" – roads and/or tunnels and/or railroad tracks and/or bridges and/or cable cars.

24. The Bidder (or a Partner in a Joint Venture holding at least 25% of the holdings in the Joint Venture or a shareholder who holds at least 25% of the shares in the SPC corporation, or a parent company or a subsidiary of one of the abovementioned entities), who is the contractor party proposed by the Bidder for execution of the works for erecting the product, meets all the following conditions:

24.1 It is a contractor registered in the Register of Building Contractors, in the main building construction branch – 100, in group C, with a 5 classification according to the Registration of Contractors for Engineering Building Works (Classification of Registered Contractors) Regulations, 5748-1988.

24.2 It complies with all the requirements specified in one of the alternatives mentioned below (Paragraph 24.2.1 below or Paragraph 24.2.2 below):

24.2.1 Alternative A

In the period commencing January 1, 2015, the Bidder completed, as prime contractor, the construction of 3 (three) projects in the State of Israel, which meet all of the following requirements:

24.2.1.1 The monetary scale of each of the projects was at least NIS 80,000,000 (excluding V.A.T.).

24.2.1.2 At least one project was executed in a built-up area.

24.2.1.3 At least one project included the execution of a building/s that is/are not zoned for residential purposes.

24.2.1.4 At least one project was for execution of transportation infrastructure.

24.2.2 Alternative B

In the period commencing January 1, 2015, the Bidder completed, as prime contractor, the construction of at least one project in the State of Israel, which meets each of the following requirements:

24.2.2.1 The monetary scale of the project was at least NIS 240,000,000 (excluding V.A.T.).

24.2.2.2 The project was executed in a built-up area.

24.2.2.3 The project included the execution of a building/s which is/are not zoned for residential purposes.

24.2.2.4 The project included the execution of transportation infrastructure.

All the conditions specified in Paragraph 24 above, including each of the alternatives, shall be proved by means of one entity through whom the works for construction of the Project will be performed. It is not possible to prove compliance with the threshold conditions by means of combining data/experience of several entities on behalf of the Bidder.

25. The cable car manufacturer proposed by the Bidder to manufacture, supply and install the cable car together with the systems thereof (hereinbefore and hereinafter: "**the Manufacturer**"), complies with all the following conditions:

25.1 The Manufacturer is one of the following entities:

25.1.1 The Bidder;

25.1.2 A partner in a Joint Venture;

25.1.3 A shareholder in an SPC corporation;

25.1.4 A parent company or a subsidiary of one of the bodies mentioned in Paragraphs 25.1.1 – 25.1.3 above;

25.1.5 A sub-contractor of the Bidder.

25.2 In the period commencing January 1, 2005, the Manufacturer completed the construction and establishment of 3 projects of cable car systems, which meet all the following conditions:

- 25.2.1 At least one of the Projects is of the DMG type, as defined in Paragraph 16.1 above.
- 25.2.2 The total extent of the construction and establishment of each of the projects was in excess of NIS 50,000,000 (excluding V.A.T.).
- 25.2.3 The maximum passenger capacity in each of the projects is more than 2,000 passengers per hour per direction.

Written proof from customers for works from the Manufacturer regarding the completion of each of the projects and the commercial operation thereof shall be attached to the Bid.

All the conditions specified in Paragraph 25 above, including each of the alternatives, shall be proved through a single entity. It is not possible to prove compliance with the threshold conditions by means of combining data/experience of several entities on behalf of the Bidder.

Financial threshold conditions

26. Provisions and definitions for the financial threshold conditions chapter:

26.1 Identity of the Bidder

- 26.1.1 Single Bidder (without reference to the manner of its incorporation) – it is necessary to prove compliance with the threshold conditions specified in Paragraph 27 below.
- 26.1.2 Joint venture and SPC corporation – it is necessary to prove compliance with the threshold conditions specified in Paragraph 28 below.

26.2 Definitions

- 26.2.1 "**Reporting years**" – 2016, 2017 and 2018 or 2017, 2018 and 2019, at the Bidder's election.
- 26.2.2 "**Reporting date**" – the last day in the last year of the reporting years: December 31, 2018 or December 31, 2019, as the case may be.

26.3 Miscellaneous provisions

- 26.3.1 Compliance with all the financial threshold conditions (according to each of the alternatives specified in this document, including through a parent company), shall be proved in full according to one of the possibilities of the years mentioned above:
By means of data for the reporting years 2016, 2017 and 2018 and the reporting date December 31, 2018, or, in the alternative (at the Bidder's election) by means of data for the reporting years 2017, 2018 and 2019 and the reporting date December 31, 2019.

Example (1): A Bidder cannot prove compliance with the turnover requirement for the years 2016-2018 and prove compliance with the equity capital requirement as at December 31, 2019.

26.3.2 Notwithstanding the contents of Paragraph 26.3.1 above, there is nothing to prevent each of the individual parties who make up the Bidder (Partners in a Joint Venture / shareholders in a SPC corporation) from proving compliance with the financial threshold conditions by means of different reporting years and reporting date for each of them, according to one of the possibilities specified in Paragraph 26.3.1 above, and all the provisions of Paragraph 26.3.1 above shall apply in their entirety to each individual party who makes up a Bidder.

A weighting of the data for purposes of examining the compliance of a Joint Venture with the financial threshold conditions shall be made by way of weighting the data according to the relative reporting years of each partner.

Example (2): One partner in the Joint Venture can prove compliance with the financial threshold conditions by means of data for the years 2016-2018 and another partner by means of data for the years 2017-2019. In such case, examining the Joint Venture's compliance with the equity capital requirement, for example (Paragraph 28.2.2 of the Invitation) shall be made in accordance with the provisions of the paragraph in relation to a different reporting date for each partner (one partner: December 31, 2018 and another partner: December 31, 2019).

26.3.3 The Bidder/individual parties who make up the Bidder must be careful to attach audited and signed financial statements according to the possibility of the years chosen by them (2016-2018 or 2017-2019) to their bid.

27. A single Bidder (without reference to the manner of its incorporation) – will be required to prove compliance with all the following financial conditions:

27.1 That it has an annual turnover from current operations (not including income from the sale of real estate and excluding V.A.T.) of at least NIS 270,000,000 (two hundred and seventy million new shekels), in each of the reporting years;

27.2 It has an equity capital of at least NIS 100,000,000 (one hundred million new shekels), as at the reporting date and in addition as at the last day of the year preceding it (December 31, 2017 or December 31, 2018, as the case may be);

27.3 It has a positive cash flow from current operations in each of the reporting years.

Alternatively, if in one year/two years of the reporting years, the cash flow was negative, it is possible to prove compliance in relation to that year/two years under the following condition: in the year in which the cash flow was negative, if the ratio between the cash flow (in the absolute value thereof) and the equity capital was equal to or less than 50%, this will be deemed to be compliance with the cash flow requirement for that year. It is clarified that it is mandatory to present a positive cash flow (as demanded at the start of this sub-paragraph) for at least one year of the reporting years.

A single Bidder is entitled to prove compliance with the provisions of Paragraph 27 above by means of its parent company (as this term is defined in Paragraph 23 above).

28. A Bidder which is a Joint Venture or an SPC corporation will be required to prove full compliance with one of the following possibilities:

28.1 Alternative A

One of the partners in the Joint Venture, who holds at least 25% in the Joint Venture or a shareholder in an SPC corporation who holds at least 25% of the shares in the SPC corporation, independently meets all the requirements of Paragraph 27 above:

And in addition,

All the remaining partners in the Joint Venture or the shareholders in the SPC corporation independently comply with the provisions of Paragraph 27.3 above (cash flow).

28.2 Alternative B

28.2.1 The overall weighted income of all the partners in the Joint Venture or of all the shareholders in the SPC corporation, according to the relative percentage of their holdings in the Joint Venture or in the SPC corporation, is at least NIS 270,000,000 (two hundred and seventy million new shekels), in each of the reporting years.

28.2.2 The aggregate equity capital of all the partners in the Joint Venture or of all the shareholders in the SPC corporation, according to their relative percentage holdings in the Joint Venture or in the SPC corporation, is at least NIS 100,000,000 (one hundred million new shekels), as at the reporting date, and in addition as at the date on which the preceding year thereto ended (December 31, 2017 or December 31, 2018, as the case may be).

28.2.3 The cash flow from current operations in each of the reporting years of each of the partners in the Joint Venture or of each of the shareholders in the SPC corporation, is positive.

Alternatively, if in one year/two years of the reporting years, the cash flow was negative, it is possible to prove compliance in relation to that year/two years under the following condition: in the year in which the cash flow was negative, if the ratio between the cash flow (in the absolute value thereof) and the equity capital was equal to or less than 50%, this will be deemed to be compliance with the cash flow requirement for that year. It is clarified that it is mandatory to present a positive cash flow (as demanded at the start of this sub-paragraph) for at least one year of the reporting years.

29. Examples for examining compliance of Joint Venture with the financial threshold conditions

29.1 Example (1) for calculating the weighted income of a Joint Venture:

Name of Partner	Percentage holdings in the Joint Venture	Turnover <u>in each</u> of the years 2016-2018 (in millions of NIS).	Cash flow
Partner 1 (A)	30%	270	Positive
Partner 2 (B)	50%	250	Positive
Partner 3 (C)	20%	150	Positive

(D) The weighted amount of the Joint Venture's turnover for each of the reporting years is:

$$D=30\% \times 270,000,000 + 50\% \times 250,000,000 + 20\% \times 150,000,000 = \mathbf{236,000,000}$$

Examination of the data:

- The weighted amount of the Joint Venture's turnover is lower than the minimum average level of turnover required in each of the years 2016-2018 – in a sum of NIS 270 million (Paragraph 28.2 above).
- However because Partner A holds more than 25% of the Joint Venture, it alone meets the threshold condition with respect to average turnover (Paragraph 28.1 above), and in addition each of the Partners has a positive cash flow in the years 2016-2018, **so the Joint Venture complies with the threshold condition in relation to turnover.**

29.2 Example (2) for examining the Bidder's compliance with the threshold conditions of positive cash flow (Paragraph 27.3 above):

The Bidder has a negative cash flow in 2018 in a sum of NIS 20 million and an equity capital of NIS 200 million.

Examination of the data:

- o The Bidder does not meet the positive cash flow requirement for the year 2018.
- o However, because the absolute value of the ratio between the cash flow and the equity capital for 2018 ($20/200 = 10\%$) is lower than 50%, **the Bidder complies with the alternative condition with regard to cash flow for the year 2018.**

30. Provisions with respect to exchange rates for proving the threshold condition

30.1 All the financial data contained in the documents for proving the financial conditions or the professional threshold conditions must be submitted in Israeli shekel currency (new shekels).

30.2 If the data in the financial statements or the data for purposes of proving the monetary extent of the professional threshold conditions are presented in US dollars (\$), euro (€) or pound sterling (£) currency, the Bidder must convert the financial data in accordance with the following directives.

30.3 Turnover and cash flow

The volumes of income and cash flow for the reporting years must be converted into new shekels, according to the mean rate of exchange for that year, as follows:

New shekel (NIS)					
Currency (in units) / year	2015	2016	2017	2018	2019
US dollar	3.8839	3.8406	3.5997	3.5970	3.5643
Euro	4.3116	4.2496	4.0622	4.2442	3.9926
Pound sterling	5.9394	5.2101	4.6324	4.7973	4.5508

30.4 Equity capital

The equity capital shall be converted into new shekels according to the rate of exchange on December 31 of the reporting year, as follows:

New shekel (NIS)				
Year	2016	2017	2018	2019
Currency (in units) / date	Dec. 31, 2016	Dec. 31, 2017	Dec. 31, 2018	Dec. 31, 2019
US dollar	3.8450	3.4670	3.7480	3.4560
Euro	4.0438	4.1526	4.2916	3.8782
Pound sterling	4.7252	4.6819	4.7934	4.5597

30.5 Rates of exchange for conversion of monetary scale of projects that were presented for proving compliance with the professional threshold conditions

Data regarding the monetary scale of each project shall be converted into new shekels according to the mean rate of exchange for the year in which construction of the project was completed, as follows:

New shekel (NIS)																
Currency (in units) / year	1-4 2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
US dollar	3.5146	3.5643	3.5970	3.5997	3.8406	3.8839	3.5774	3.6094	3.8580	3.5791	3.7319	3.9228	3.5863	4.1100	4.4526	4.4859
Euro	3.8588	3.9926	4.2442	4.0622	4.2496	4.3116	4.7466	4.7965	4.9527	4.9775	4.9502	5.4692	5.2671	5.6272	5.5916	5.5826
Pound sterling	4.4643	4.5508	4.7973	4.6324	5.2101	5.9394	5.8882	5.6500	6.1105	5.7371	5.7711	6.1423	6.6304	8.2244	8.2026	8.1613

30.6 If the data in the audited financial statements or data from additional sources for purposes of proving compliance with the professional threshold conditions are presented in a different currency (which is not the US dollar, euro or pound sterling), the exchange rates for which into new shekels are published by the Bank of Israel, the Bidder shall convert the financial data into new shekels according to

the rates of exchange published by the Bank of Israel, as at the date of the financial statements, or as at the date of completion of construction of the project, as the case may be.

- 30.7 If the data in the audited financial statements or data from additional sources for purposes of proving compliance with the professional threshold conditions are presented in a currency the exchange rates for which into new shekels are not published by the Bank of Israel, the Bidder shall convert the financial data into Canadian Dollars (CAD), and thereafter into new shekels, according to the conversion rates that are published by the central bank of Canada (Bank of Canada)¹ and by the Bank of Israel, as at the date of the financial statements, or as at the date of completion of construction of the project, as the case may be.
- 30.8 A Bidder or a party relevant to proving compliance with the financial threshold conditions, the date of whose financial statements is not December 31, is required to request the Customer's approval of other rates of exchange, and must do so prior to the last date for submission of clarification questions in the Tender, as stated in Paragraph 5 above. The request shall give details of tables of the proposed rates of exchange on which that Bidder wishes to rely, with this being in accordance with the principles set forth above.
- 30.9 For purposes of this paragraph, the date of the financial statements is the last date in respect of which data is presented in the financial statements.

General threshold conditions

31. On the date of submission of the bid in the Tender, the Bidder, each of the partners in the joint venture, and each of the shareholders in an SPC corporation, is not a restricted customer in means and is not under (and no application has been filed with respect to him or it for) receivership / liquidation / stay of proceedings / arrangement with creditors / going concern warning.
32. The Bidder (and in the case of a joint venture – each of the partners in the joint venture), holds a valid certificate regarding the keeping of books, in accordance with what is required under Section 2 of the Public Bodies (Transactions) Law (Enforcement of Bookkeeping and Payment of Tax), 5736-1976.
- A foreign company which is not "an Israeli resident", according to the definition of this term in the Public Bodies (Transactions) Law, is exempt from presenting this certificate.
33. The Bidder or anyone on its behalf has paid the participation fees in respect of the Pre-Qualification Process in accordance with the provisions of Paragraph 4 above.

Bid Documents in the Pre-Qualification Process

34. In the Pre-Qualification Process, every Bidder is required to attach to its bid all the documents and the certificates mentioned below, where same are fully completed and signed by the authorized signatories on behalf of the Bidder, as required in each document:

34.1 Form of Submission of Bid – **Document B.**

¹ Link to the online website of the Bank of Canada: <http://www.bankofcanada.ca/rates/exchange/10-year-lookup/>

- 34.2 Affidavit for proving compliance with threshold conditions specified in Paragraph 24 above – **Document C.**
- 34.3 Manufacturer's confirmation for proving compliance with the threshold conditions specified in Paragraph 25 above – **Document D.**
- 34.4 Written corroboration from customers of the manufacturer's works regarding completion of each of the projects which have been presented for proving compliance with the threshold conditions and the commercial operation of the project (Paragraph 25.2 above).
- 34.5 Auditor's certification regarding turnover, equity capital and dash flow (Paragraphs 26-30 of the Invitation) – **Document E.**
- *If the bid is submitted by a joint venture, this document must be submitted separately in respect of each partner.*
 - *If the bid is submitted by an SPC corporation, this document must be submitted separately in respect of each shareholder.*
 - *To the extent the fulfillment of this threshold condition is proved by means of a parent company – this document shall be submitted separately with respect to the parent company as well.*
- 34.6 Auditor's certificate regarding solvency (Paragraph 31 of the Invitation) – **Document F.**
- *This document must be submitted separately in respect of the Bidder, every partner in a joint venture, and all the shareholders in an SPC corporation.*
 - *To the extent these financial threshold conditions are proved by means of a parent company – this certificate must be submitted with respect to the parent company as well.*
- 34.7 Form of undertaking of parent company – **Document G.**
- *Must be submitted only if compliance with the financial threshold conditions is through the parent company.*
- 34.8 Declaration of partners in joint venture – **Document H.**
- *This document shall be submitted separately in respect of each partner, only if the bid is submitted by a joint venture.*
- 34.9 Affidavit regarding employment of foreign workers, payment of minimum wage and abiding by the Equal Rights for Persons with Disabilities Law – **Document I.**
- *If the bid is submitted by a joint venture: this document must be provided separately in respect of each partner.*
 - *A foreign company is exempt from filing this document.*

34.10 Confirmation of rights of signature in body corporate – **Document J**.

- *Must be submitted by a Bidder or a partner in a joint venture which is a body corporate.*
- *If the bid is submitted by a joint venture, this document must be submitted separately in respect of each partner*

34.11 Written corroboration in respect of payment of participation fee in the Tender.

34.12 Valid certificate of keeping of books, in accordance with the requirements under Section 2 of the Public Bodies (Transactions) Law (Enforcement of Bookkeeping and Payment of Tax), 5736-1976.

34.13 A valid certificate of registration from the Registrar of Building Contractors under a classification of 100-C5 in the name of the entity through whom the threshold conditions specified in Paragraph 24.1 above has been proved.

34.14 Audited financial statements of the Bidder for the reporting year (hereinafter: "**Financial Statements**").

- *If the Bidder is a joint venture – financial statements of all the partners must be submitted.*
- *If the Bidder is an SPC corporation – financial statements of all the shareholders must be submitted.*
- *If compliance with the financial threshold conditions is proved through a parent company – financial statements of the parent company must also be submitted.*

34.15 An updated company extract of the Bidder, all the partners in a joint venture, all the shareholders in a SPC corporation, and of a parent company/subsidiary (if compliance with any conditions is proved through them) from the Registrar of Corporations, which can be produced via the Internet website of the Corporations Authority.²

- *A foreign company shall file an original copy through the official Corporations Authority in that country, or such copy certified by an attorney or advocate as being a true copy of the original.*

34.16 All the remaining Pre-Qualification Process documents, fully completed, including documents of clarification and notices to bidders (if same were published), where these are signed at the places designated for the purpose by the authorized signatories who have been empowered by the Bidder.

35. Additional provisions regarding the completion and signing of the bid documents:

35.1 It is clarified that it is not necessary to sign each page of the Tender documents and there is no necessity for lodging this Invitation document (**Document A**).

² www.justice.gov.il/MOJHeb/RashamHachvarot

- 35.2 If the Bidder is a joint venture: in every place designated for the Bidder's signature, all the partners in the joint venture shall sign, unless otherwise stated in such place.
- 35.3 There is no need to attach **Documents K and L** to the Bid.
36. It is possible to attach the following documents to the Bid (including by way of reference to an Internet website on which the information can be found) in a separate volume which shall be prominently marked at the beginning thereof as "**optional documents**".
- 36.1 A profile of the Bidder.
- 36.2 A profile of every entity mentioned in the Bid (for example, the partners in the joint venture, the shareholders in the SPC corporation, the manufacturer, parent company/subsidiary through whom conditions were proved, etc.).
- 36.3 Files relating to safety, graphic illustration, photographs, plans and any written corroboration regarding projects the manufacturer has executed.
37. The bids must be submitted in Hebrew only. It is possible to attach documents in a foreign language, but the filing of any document in a foreign language which is not English is possible subject to the attachment of a translation into Hebrew authenticated by an Israeli notary (documents in English need not be translated).
38. For the sake of good order, it is clarified that the submission of the documents is not defined as a threshold condition in this Invitation. If a Bidder does not attach any of the documents mentioned above to its bid, or has submitted them without all the particulars in them being completed, or if there was a defect in the manner of completing them, the Customer's tenders committee (hereinbefore and hereinafter: "**the Tenders Committee** or "**the Committee**") will be entitled, in its sole and absolute discretion, to disqualify the bid or to request the completion of the documents and/or the missing details and/or to ignore defects which are not of a material nature.

Validity of the Bid

39. The Bidder's bid shall remain in force, including all the details, components and appendices thereto, for a period of 120 days after the last date for the submission of bids in the Request for Proposals Stage (the R.F.P. stage), or until some other date that will be fixed in the scope of the Request for Proposals Stage in the Tender.

Clarifications and alterations

40. Clarification questions shall be submitted in writing to the secretary of the Tenders Committee – Mrs. Yael Esther Maymon, by way of e-mail BID@jda.gov.il, up to the date mentioned in Paragraph 5 above (the parties sending clarification questions must verify receipt of the document by way of tel. 02-5890013 or by means of return email), only by bidders who have paid the participation fee. Every answer that is given by the Customer (if given) will be valid only if given in writing. A copy of the clarification questions and the answers thereto will be distributed to the authorized representative of each of the participants in the Tender who have paid the participation fee, and will form an integral part of the Tender documents.

41. Clarification questions must be submitted in a Word file, in the following format. The Customer is entitled not to examine questions that are submitted other than in accordance with the provisions of this paragraph:

Serial No.	Name of document (that form part of the documents of this Invitation)	Paragraph No. in document	The question

42. It is hereby clarified that any explanation and/or interpretation and/or answer to clarification questions, including all reference by the Customer during the Bidder's conferences, will not be of any force or validity if given verbally or in any other manner that is not official reference in writing that was published on the Internet website and/or by being sent to participants in the Tender. It is further clarified that the Customer is entitled not to answer questions and/or to answer them partially, without this constituting acquiescence and/or confirmation of those parts to which the Customer did not relate.

43. The Customer may at any time make alterations and amendments in the Tender documents, in its sole discretion, whether in the Pre-Qualification Stage or in the Request for Proposals Stage, whether on its own initiative or in light of clarification questions, including a change and revision in the timetables for the Tender proceedings. Such alterations and amendments will constitute an integral part of the Tender documents and of the conditions thereof. Notice regarding these alterations will be sent to all the bidders who paid the participation fee and will be published on the Internet website. It is the responsibility of the bidders to monitor publications on the Internet website in connection with the Tender, including with regard to times for the Tender, notice of clarification and changes. The bidders are responsible for submitting their bids on the basis of the updated and final documents that will be published on the Internet website.

44. By its submitting a bid in the Tender, the Bidder declares that it has seen and examined all the Tender documents and has submitted its bid on that basis and that it fully and unequivocally agrees to all the terms and conditions of the Tender and the Tender documents. The Bidder will be estopped from contending that it was not aware of any detail or particular relating to the Tender and/or the conditions thereof.

45. In any event that there is a conflict between the various Tender documents and/or a lack of clarity regarding the Tender documents, the Customer will decide on the binding interpretation. The Bidder will not have any argument and/or claim arising from a conflict and/or lack of clarity and/or interpretation made by the Customer, as aforesaid. If the Customer has not made such interpretation, the binding interpretation will be the interpretation that is most favorable to the Customer.

Submission of bids in the Pre-Qualification Stage

46. Every bid in the Tender shall be submitted by a single legal persona (an individual bidder or SPC corporation) or by a joint venture, subject to the provisions of this Invitation (hereinbefore and hereinafter: "**the Bidder**"), where all the documents and the approvals that are required in the Tender will be in the name of the Bidder, unless

otherwise expressly permitted (for example, submission of documents by/in the name of a partner in a joint venture, parent company, etc.).

Affiliated bidders, such as a Bidder and a company owned by it, or companies forming part of one group, such as parent companies and subsidiaries, associated companies and affiliated companies – only one of such affiliated bodies will be entitled to participate in this Tender.

Notwithstanding the foregoing, there is nothing to prevent the proposed cable car manufacturer from being presented as a subcontractor in a number of different bids, subject to the proviso that the cable car manufacturer has not submitted an independent bid in the Tender as a bidder or as a partner in a joint venture or as a shareholder in a SPC corporation.

47. The bids, together with the details and documents described in Paragraph 34 above must be submitted personally, by physically inserting them directly into the tenders box at the Customer's offices, and this must be done up to the time specified in Paragraph 5 above (hereinbefore and hereinafter: "**Date of Closing of the Tender**").

A bid that is not in the tenders box at the Date of Closing of the Tender will not participate in the Tender proceedings. For the avoidance of doubt, sending the bid by post, or the submission thereof in any other way which is not the physical placement of the envelope containing the bid in the tenders box, does not meet the requirements of the Tender.

48. The bid together with all the remaining Tender documents which are signed by the Bidder and every voucher and written corroboration and certificate that requires to be submitted in accordance with this Invitation, must be submitted **in two bound copies in a closed and sealed envelope**, which shall be marked – "**Tender No. 5/20-Pre-Qualification**" only.
49. Bidders are requested to retain a full copy of their bid in this process.
50. Notwithstanding the foregoing, the Customer is entitled to extend the Date of Closing of the Tender, and the remaining times in the Tender proceedings, in its discretion, by way of written notice to Bidders who have paid the participation fee.
51. The Customer is entitled, in its discretion, to disqualify outright a bid that is submitted other than in accordance with the conditions of the Tender, or to accept it despite the defects in it.
52. By submitting its bid the Bidder declares and confirms that it is fully conversant with the law in Israel, including, and without derogating from the generality of the foregoing, the laws of tender that apply in Israel, and with all the requirements for registration and licensing that apply to participants and winners in the Tender. The provisions of the Israeli law and such provisions alone shall govern this Tender.
53. In addition, by submitting its bid, the participant declares that it complies with the requirements of Regulation 6(a) of the Mandatory Tender Regulations, 5753-1993.

Selection

54. Examination of the bid will be made by the Customer through the Tenders Committee. The Committee will be entitled to be assisted in its examinations, inter alia, by professional consultants and sub-committees on its behalf.
55. The employment of any of the Customer's consultants in the cable car project and/or of any of the Customer's employees for purposes of the Tender process is prohibited (in this paragraph below: "**the Customer's Advisers**").

Without derogating from the foregoing, in every instance in which a fear arises of a conflict of interest between the Customer's interests and those of the Bidder, or someone on its behalf, due to the employment of any person, whether any of the Customer's Advisers or any other entity, it shall be the responsibility of the Bidder immediately to report to and update the Customer in writing in regard to such employment. The Customer will be entitled to take any decision in connection therewith and to give any instruction in relation to the conflict of interest (including disqualification of the bid in the Tender), and the Bidder undertakes to obey the Customer's instructions and in addition to take all the steps demanded by the Customer for preventing a conflict of interest.

Nothing in the foregoing shall derogate from the Customer's rights and authorities under this Invitation, the documents of the submitted of Proposals process and the provisions of the law, explicitly including the conduct of independent examinations in connection with the fulfillment of the provisions of this paragraph above.

56. Without prejudice to the measures stated above, the Customer will be entitled at any time to have discussions with the Bidders on details of their bid, and to demand from the Bidders and from any entity on their behalf and/or who is mentioned in their bid and/or from previous customers for works and/or from any third party, information, particulars and additional documents to its full satisfaction, expressly including the right to study and examine all the matters mentioned above at the Request for Proposals Stage on the background of the Tender documents which will be published, and in light of the Bidder's undertakings and tasks in the framework thereof, and to allow the Bidders or any of them to amend their bids, according to guidelines the Customer will lay down in regard to the extent of the amendments that will be allowed, in the course of preserving and maintaining the principle of equality between the bidders.
57. In relation to every case of an alteration, addition, deletion, lack of clarity and reservation the Bidder may make in the Tender documents, the Customer will be entitled to act in one of the following ways, in its sole discretion:
 - 57.1 To disqualify or reject the Bidder's bid;
 - 57.2 To ignore the alteration and to treat the Bidder's bid as if no alterations were made in it;
 - 57.3 To demand from the Bidder to amend the alterations and/or to demand from other bidders to amend and/or alter their bids; if any of the bidders does not act in accordance with the Customer's request, the Customer will be entitled to disqualify that bidder's bid;
 - 57.4 To classify the alteration as being technical and to validate it;

57.5 To allow the alterations and to treat them as part of the Bidder's bid, in the course of preserving and maintaining the principle of equality between the bidders.

Notwithstanding any such alteration and despite any decision that may be taken by the Customer, it is emphasized that only the provisions of the agreement that will be signed with the Winner of the Tender shall bind the Customer.

Manner of examining the bids in the Pre-Qualification Stage

58. At that stage the documents that have been submitted by each Bidder will be examined in order to verify that the Bidder meets the threshold requirements that were fixed for purposes of participating in the Tender, and that the bid contains all the documents and certificates which the Bidder is required to attach to its bid.
59. If the Bidder has failed to attach any of the documents mentioned above to its bid or if there is anything missing or any a lack of clarity in the bid, the Tenders Committee may, on this ground alone and in its sole and absolute discretion, disqualify the Bidder's bid or, alternatively; request that the Bidder amplify and/or complete and/or amend and/or clarify any of the documents in its bid and/or the data mentioned in it, and the Committee may, in its sole discretion, also ignore defects which are not of a material nature.
60. At the end of this stage, notices will be sent to the bidders in accordance with the Customer's decision: notices of disqualification/rejection to bidders who have not passed the Pre-Qualification Stage, and notices of having passed to the Request for Proposals Stage to bidders who have passed the Pre-Qualification Stage, together with the relevant instructions concerning the continuation of the Tender proceedings.

Continuation of Tender proceedings – Request for Proposals Stage (R.F.P.)

61. Selection of the winning bid in the Request for Proposals Stage will be according to a score which combines quality criteria and financial criteria as described below, all subject to the provisions of the Request for Proposals Stage documents which will be published by the Customer.

61.1 Quality criteria

- 61.1.1 Experience in the operation of a cable car/s having a capacity for transporting at least 1,500 passengers per hour per direction by way of DMG technology in the period preceding the date of submission of the bids.
- 61.1.2 Civil engineering – experience in the construction and establishment of an engineering project/s in a densely built-up urban fabric.
- 61.1.3 Experience in the operation of public transport.
- 61.1.4 Experience in maintaining a safety routine in the years preceding the submission of the bids, such as:
- 61.1.4.1 The employment of a qualified professional manager in the field of safety who is responsible for the aspects of safety in the organization;

61.1.4.2 Conducting a control or a risk management system in relation to accidents and near-accidents;

61.1.4.3 Maintaining written safety procedures;

61.1.4.4 Carrying out of safety drills;

61.1.4.5 Ability to enforce and punish breaches in the field of safety in the organization;

61.1.4.6 Monitoring the authorization and examinations of workers.

61.1.5 The Bidder's experience in the construction and establishment of projects in the State of Israel as prime contractor, in the framework of which it cooperated with a foreign company.

61.2 Financial criteria

61.2.1 The size and extent of the financial bid which is proposed for erecting the Project;

61.2.2 The size and extent of the financial bid that is proposed for annual operation and maintenance of the Project.

61.3 It must be clarified that the precise mix of the criteria which will be examined for selecting the winning bid, as also the weight that will be accorded to each of the criteria, will be specified in the Request for Proposals Stage (R.F.P.) documents, and it is likely to change according to recommendations from the professional teams that accompany and escort the Tender. The Customer has absolute discretion in determining these criteria, and no argument or allegation from the participants in this connection will be entertained.

62. Bidders wishing to participate in the Request for Proposals Stage will be required to submit a bank guarantee, together with their bid, in such amount and under such conditions as will be prescribed for that stage.

63. The Customer reserves the right, in its absolute discretion, to specify additional threshold conditions and/or additional conditions in connection with participation in the Request for Proposals Stage.

64. Specific binding provisions regarding the Request for Proposals Stage, the timetables for continuation of the Tender proceedings, the manner in which the Winner will be selected, the contractual agreement, the consideration, timetables for execution of the works, milestones, professional requirements, plans and specifications, additional conditions of eligibility and the remaining provisions and the relevant documents for continuation of the Tender proceedings and for contracting with the Promoter, will be sent to those bidders who pass the Pre-Qualification Stage. It is hereby clarified that the bid that was submitted in the Pre-Qualification Stage will constitute an integral part of the Bidder's bid in the Request for Proposals Stage in the Tender.

65. Nothing stated in this Invitation, or which is missing from it, shall derogate from the Customer's discretion and/or reduce its discretion in any way in prescribing the conditions and requirements for the Request for Proposals Stage.

66. By submitting its bid in the Pre-Qualification Stage, the Bidder declares its unqualified agreement to the contents of Paragraphs 61 / 65 above, and that nothing in the foregoing shall give the Bidder a right to compensation of any sort or a plea of reliance, etc.

Powers and authorities of the Tenders Committee

67. The Tenders Committee will be entitled not to consider a bid and/or to disqualify it if it has reasonable grounds for fearing that the Bidder has acted not in good faith and/or not in the ordinary course in connection with the Tender proceedings, or that the Bidder's intention was to mislead the Committee by way of errors that were made intentionally and/or that its bid is founded on a mistaken understanding of the subject of the Tender and/or due to the failure to relate in detailed fashion to any of the paragraphs in the Tender which, in the opinion of the Tenders Committee, makes it impossible to evaluate the bid properly.
68. The Tenders Committee may, in its discretion, demand from a Bidder and/or from each of the partners in the Bidder to disclose full and accurate details regarding its identity, its field of business, the structure of its capital, its sources of finance, or of interested parties therein, and it may refer to any third party to obtain other information the disclosure of which is, in its opinion, of interest, including specifically in regard to previous works the Bidder has presented in its bid. In the framework of its examinations, the Tenders Committee (or someone on its behalf) is also entitled, in its discretion, to examine other projects of the Bidder.
69. In the case of a Bidder who has failed to furnish the Tenders Committee with the information demanded or has furnished incorrect information – the Tenders Committee is entitled not to consider such Bidder's bid or to disqualify it, without this derogating from any other right available to the Tenders Committee and/or to the Customer, as the case may be, as a consequence of the breach, pursuant to the terms and conditions of the documents of this Tender and according to any law.
70. Where a Bidder has won the Tender, and it subsequently becomes apparent to the Customer that the Bidder failed to furnish correct information and/or furnished only partial information and/or furnished misleading information, the Customer may annul the Bidder's winning, without the Winner being entitled to receive any compensation and/or refund of expenses, and without this derogating from any other right available to the Customer as a result of the breach.
71. The Tenders Committee has the power and authority to disqualify a Bidder's bid, at any of the stages of the Tender, if it has seen fit to do so in accordance with documents and/or information in its possession and/or which has come to its notice (and including recommendations and information received from other customers for the Bidder's works) that the Bidder does not have the capability of providing the Customer with the requested works to the Customer's full satisfaction.
72. It is hereby clarified that the Customer is not obliged, in the Request for Proposals Stage, to accept the cheapest bid or a bid having the highest score or any other bid or a bid, in its entirety, and that the Customer is entitled, in its sole discretion, to cancel the Tender for any reason, at any stage (including at the Pre-Qualification Stage), before or after announcement of the Winner, and to publish another tender in its place. It is further clarified that the Customer is not obliged to move on to the next stage of the Tender (the Request for Proposals Stage) for any reason. The Tenders Committee is also entitled to make the winning of the Tender contingent on conditions, without an obligation for giving reasons for this. It is hereby explicitly clarified that a Bidder will not have any demand – monetary and/or otherwise – from the Customer, in connection with any of the matters stated above and/or as a consequence of the non-acceptance of the bid and/or to due to cancellation of the Tender.

73. The Winner will be estopped from alleging the existence of any right, obligation or authority based on information, promise, undertaking, representation, offer, understanding, publication, protocol, hearing or declaration made outside the scope of the agreement, whether verbal or in writing, and whether before the agreement with the Bidder has been signed or subsequent thereto.

Miscellaneous

74. A Bidder who, after receiving notice regarding the Committee's decision in connection with its bid in the Pre-Qualification Stage, requests to peruse and/or to photocopy the Pre-Qualification Stage documents and/or protocols and/or any other document connected with this process, will be required to make payment in advance of NIS 2,500 plus V.A.T. to cover the costs entailed in dealing with its application and producing the requested documents.
75. By their submitting bids, the Bidders express their agreement in advance to the disclosure of their bids to other bidders, if the Customer is required to do so according to law and/or in connection with a legal proceeding relating to the Tender, apart from information which, in the Customer's discretion, constitutes a trade/professional secret. It is clarified that in a case in which the Customer believes that there is any doubt on the question as to disclosure of the information, the Customer will be entitled to refrain from disclosing the information, so long as no unappealable judicial order has been granted ordering such disclosure.
76. A Bidder is entitled to attach to its bid an envelope containing an additional copy in which the Bidder will mark and/or black out, the text, information, data, documents and so forth in the bid which, in its opinion, constitute a professional and/or trade secret, which should not be disclosed to the remaining participants in the process, in accordance with the provisions of the Mandatory Tenders Law, the Regulations and decided cases. Such marking will be accompanied by reasons and grounds having regard to the provisions of the law and decided cases (hereinafter: "**the Blacked-Out Bid**").

The Blacked-Out Bid will be attached to the bid in a separate envelope on which the following shall be written "**Tender 5/20 – Pre-Qualification – marking of information which constitutes a professional/trade secret**".

It is clarified that the power and authority to make the final decision regarding the secrecy of the information and the revelation thereof to the remaining participants is vested in the Tenders Committee. However, the Committee wishes to receive the Bidder's reference and treatment in advance, on a basis that the non-inclusion of certain parts in the Blacked-Out Bid / the failure to mark them in black, is tantamount to the Bidder's agreement that the parts in its bid which are not marked as aforesaid, are not in the nature of being a professional/trade secret. Without derogating from the foregoing, the blacking-out of a certain passage in the Blacked-Out Bid shall constitute evidence as to the Bidder's waiver of a right to read the blacked-out passage in other bids, including in the winning bid.

77. The Bidder is obliged to report to and update the Tenders Committee in writing and with regard to any change that may apply, if there has been a change, in the information it gave to the Tenders Committee or to the Customer, in the period that elapsed from the time of submission of its bid in the Pre-Qualification Process and up to the date of publication of the Tenders Committee's decision regarding the Winner of the Tender, and if it is declared the Winner – up to the signing of the agreement.

Without derogating from the foregoing, the Customer is entitled to demand the submission of a declaration in this text, at any stage in the Tender proceedings, including after selection of a Winner.

In every case of a change as referred to above, the Customer will be entitled to take any action in its absolute discretion, including specifically disqualification of the Bid and/or cancellation of the Tender and/or the stipulating of additional conditions for the Bidder's participation in the Tender proceedings and/or realization and implementation of the winning of the Tender. Any damage and expense that may be incurred by the Customer as a result of such change shall be borne in full by the Bidder.

78. The Customer does not bear any responsibility for an expense or damage that may be incurred by the Bidder in connection with its bid in the Pre-Qualification Stage and/or in the Request for Proposals Stage in this Tender, including everything relating to the non-acceptance of its bid, cancellation of the Tender and any other decision the Customer may take. It is expressly clarified that under no circumstances will the Bidder be entitled to any compensation or to a refund of any expenses in connection with its participation in the Tender proceedings, including specifically the cancellation of the Tender at any time.
79. The Bidder and anyone on its behalf undertakes to maintain confidentiality with regard to all the information that may be given to it by the Customer in connection with or for purposes of the Tender or for execution of the works pursuant to the Tender, and to refrain from the disclosure of the details thereof and details of its Bid in the Tender to any party whatsoever, except with the Customer's prior written consent.
80. The law which applies to this Tender is the law of the State of Israel only. Sole jurisdiction for purposes of this Tender will be vested in the courts in the city of Jerusalem only.
81. This document is being published on a parallel basis for the sake of convenience also in a translation into English; however it is clarified that only the provisions of this Invitation in Hebrew shall be binding.
82. All the Tender documents are the property of the Customer and the documents are given to the Bidder on loan for purposes of preparation and submission of its Bid. The Bidder is not entitled to copy these documents and/or to make use thereof for any other purpose.