

Israel Gas Transmission Project


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			Technical Volumes For Intelligent Pigging Services - Operational Provisions					
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1. GENERAL

In these OPERATIONAL PROVISIONS the following words, terms and expressions shall have the following meaning:

TERMS

DEFINITIONS

CALIPER REPORT

Means a report in the form set forth in **Annex 6** to be prepared by the CONTRACTOR pursuant to the performance of the CALIPER RUN, which shall include, *inter alia*, data with respect to the specific location in the PIPELINE of any dent detected by the CALIPER TOOL, including with respect to the ovality, depth and dimension of obstruction in such area. Furthermore, the CALIPER REPORT shall include any and all other information of any obstacles, which the CONTRACTOR deems might interfere with the MFL RUN.

CALIPER TOOL

Means a tool which conforms with the requirements of the TECHNICAL VOLUMES and the POF SPECIFICATIONS which form a part thereof, which may be used by the CONTRACTOR in accordance with Clause 7.7 hereof, in addition to the GAUGE PLATE PIG as may be required, in order to investigate whether the PIPELINES are affected by dents, buckles, bore restrictions etc., and thus to ensure free passage for the MFL TOOL through the PIPELINE/S. The launch of the CALIPER TOOL through the PIPELINE/S shall be referred to as a "CALIPER RUN".

CLEANING PIG

Means a tool which conforms with the TECHNICAL VOLUMES and the POF SPECIFICATIONS which form a part thereof, to be used by the CONTRACTOR in accordance with Clause 7.6 hereof, for the cleaning of the PIPELINES.

COMMENCEMENT ORDER

Means an order issued by the COMPANY to the CONTRACTOR, in the form set forth in **ANNEX 4** hereof, subject to and in accordance with Clause 7.1 hereof, ordering the CONTRACTOR to begin the performance of the SERVICES at the SITE, at the date set forth therein, subject to the receipt by the COMPANY of all of the necessary approvals and permits required by any applicable law and/or all governmental directives and instructions and to the fulfilment by the CONTRACTOR, of all of its obligations as required hereunder prior to the commencement of the SERVICES, as detailed under the TECHNICAL VOLUMNES and the CONTRACT. The COMMENCEMENT ORDER may be modified by the COMPANY in accordance with Clause 7 hereof.

CONTRACTOR'S DESIGNATED AREA	Means an area in the SITE surrounding, at the proximity of the launching and receiving station, to be designated by the COMPANY for the usage of the CONTRACTOR'S personnel who will be performing the SERVICES and anybody on its behalf, and for the storage of the CONTRACTOR'S SERVICES related equipment.
CONTRACTOR'S EQUIPMENT	Means the INSPECTION TOOLS, a special vehicle with a crane (used for loading and unloading of INSPECTION TOOLS), machines, appliances, computers and electronic equipment, and/or any other materials or material of whatsoever nature, with which the CONTRACTOR shall execute the SERVICES hereunder and which shall conform with the TECHNICAL VOLUMES and with the OPERATIONS PROCEDURES.
DATA SUFFICIENCY CERTIFICATE	Means a certificate in the form set forth in Annex 7 to be provided to the COMPANY by the CONTRACTOR in accordance with Clause 7.10.3, in which the CONTRACTOR shall warrant and certify that the PIPELINE'S conditions during the performance of the SERVICES were in full conformity with the conditions agreed upon in accordance herein, and with the TECHNICAL VOLUMES and that the CONTRACTOR has obtained and stored all DATA which is required for the completion of the FINAL REPORT in accordance with the TECHNICAL VOLUMES.
DEMOBILIZATION	Means the final demobilization of the CONTRACTOR'S EQUIPMENT and personnel from the SITE, which shall be subject to obtaining the COMPANY'S express written approval in respect thereto.
FINAL ACCEPTANCE CERTIFICATE	Means the certificate to be issued by the COMPANY or by the COMPANY'S REPRESENTATIVE to the CONTRACTOR in accordance with Clause 16 hereof and in the form attached hereto as Annex 9 .
GAUGE PLATE PIG	Means a tool which conforms with the requirements of the TECHNICAL VOLUMES and the POF SPECIFICATIONS which form a part thereof, to be used by the CONTRACTOR in accordance with Clause 7.7 hereof, in order to confirm geometrical integrity of the internal part of the PIPELINE/S and thus ensure the free passage of the MFL TOOL through the PIPELINE/S.

INS	Means an Internal Navigation System mapping tool, which conforms with the TECHNICAL VOLUMES and the POF SPECIFICATIONS, which form a part thereof, which may be used by the CONTRACTOR in accordance with Clause 7.9 hereof, to determine the x, y, z coordinates. The INS may be used during each RUN, together with any of the INSPECTION TOOLS.
INSPECTION TOOLS	Shall mean the CLEANING PIGS, the GAUGE PLATE PIG, the CALIPER TOOL, the MFL TOOL, the TFI and the INS.
MAGNETIC FLUX LEAKAGE (MFL) TOOL	Means a tool which conforms with the TECHNICAL VOLUMES and the POF SPECIFICATIONS which form a part thereof, to be used by the CONTRACTOR, in accordance with Clause 7.8 in order to conduct, inter alia, a metal loss survey of the PIPELINE/S in order to achieve full detection and sizing accuracy for metal loss features in the body of the PIPELINE/S, including but not limited to: General Metal Loss, Pitting, and Axial Grooving Circumferential (as such terms are defined in the TECHNICAL VOLUMES).
MOBILIZATION	Means the initial mobilization of CONTRACTOR'S EQUIPMENT and personnel to the SITE (where the SERVICES are to be performed in accordance herein).
OPERATION PROCEDURES	Means the set of orders provided by the CONTRACTOR to the COMPANY and agreed upon thereby, in accordance with Clause 4 hereof, which shall be annexed hereto as Annex 2 , regarding the operation of the SYSTEM while launching and receiving the INSPECTION TOOLS, including, but not limited to, with respect to the opening and closing of the valves in the SYSTEM, as required in order to complete a safe and successful launching and receiving of any of the INSPECTION TOOLS.
PIPELINES CONDITIONS CERTIFICATE	Means a certificate in the form set forth in Annex 3 to be provided by the CONTRACTOR to the COMPANY in accordance with Clause 6 hereof.
QUALITY ASSURANCE CERTIFICATE	Means a quality assurance certificate to be submitted by the CONTRACTOR to the COMPANY with respect to each of the INSPECTION TOOLS and any other equipment as per the COMPANY'S request.

RUN	Means the launching of any of the INSPECTION TOOLS at one end of the PIPELINE and receiving of such INSPECTION TOOL at the other end of the PIPELINE.
RUN CERTIFICATE	Means a certificate in the form set forth in Annex 5 , to be provided by the CONTRACTOR to the COMPANY after the performance of each RUN with any of the INSPECTION TOOLS through the PIPELINE/S, certifying the successful completion thereof in accordance with the CONTRACT, including with the TECHNICAL VOLUMES and the OPERATIONS PROCEDURES and confirming that no parts and/or components of such INSPECTION TOOL have become dismantled or unattached there-from throughout the RUN.
SITE	Means the launching and receiving stations and any parts of the PIPELINES where the SERVICES are to be performed in accordance herewith, including the CONTRACTOR'S DESIGNATED AREA and any other area used by the CONTRACTOR for the purposes of the SERVICES, including without limitation any other area defined by the COMPANY for the purposes of the CONTRACT.
TEST OF INSPECTION TOOLS	Means test/s of the INSPECTION TOOLS to be conducted by the CONTRACTOR, as required by and in accordance with the TECHNICAL VOLUMES, which shall include, <i>inter alia</i> , quality assurance tests, ensuring that the INSPECTION TOOLS are intact, calibrated, conform with the requirements of the TECHNICAL VOLUMES and with the best international industry practice. In the event that any test of the INSPECTION TOOLS is conducted by the CONTRACTOR at the SITE, then such test will only be conducted at the presence of the ENGINEER.
TEST OF INSPECTION TOOLS CERTIFICATE	Means a certificate in the form set forth in Annex 8 hereof, to be provided to the COMPANY by the CONTRACTOR with respect to each of the TESTS OF INSPECTION TOOLS conducted by the CONTRACTOR.
TECHNICAL VOLUMES AND POF SPECIFICATIONS	Means the Technical Specifications, requirements, procedures instructions, and drawings of the SERVICES, together with all of their annexes as per Annex D of the AGREEMENT, and any modification thereof or addition thereto made under the CONTRACT (Changes & Change Order clause).

The Technical Volumes also included the Pipeline Operator Forum "Specification and requirements for intelligent pig inspection of pipelines" version 2009, Section 3 ("**POF SPECIFICATIONS**"), and the scope of work prepared by the company.

TRANSVERSE FIELD INSPECTION TOOL ("TFI") Means a tool for inspection of the PIPELINE/S which conforms with the TECHNICAL VOLUMES and the POF SPECIFICATIONS which form a part thereof, and which may be used by the CONTRACTOR in accordance with 7.9 hereof.

All capitalized terms used herein but not defined shall have the meanings attributed to them in the AGREEMENT, including its annexes.

2. CONTRACTOR'S REPRESENTATIVES

2.1. PROJECT MANAGER

The CONTRACTOR shall appoint a PROJECT manager, for the coordination of all SERVICES and to represent the CONTRACTOR in all its relations with the COMPANY and the ENGINEER throughout the CONTRACT PERIOD, who will fulfill the requirements and the obligations as set forth in the CONTRACT and ITB.

2.2. DATA ANALYZER

The CONTRACTOR shall appoint a DATA ANALYZER who is qualified and has the requisite expertise to analyze the DATA for the purpose of preparing the Final Report and who will be responsible for reading the DATA and providing the COMPANY with real time DATA analysis. For the avoidance of doubt, the CONTRACTOR may employ one person who will fulfill the requirements and the obligations as set forth in the CONTRACT and ITB.

2.3. ON SITE DATA ANALYZER

The CONTRACTOR shall appoint a DATA ANALYZER who is qualified and has the requisite expertise to analyze the DATA for the purpose of preparing the Preliminary Report and who will be responsible for reading the DATA and providing the COMPANY with real time DATA analysis. For the avoidance of doubt, the CONTRACTOR may employ one person who will fulfill the requirements and the obligations as set forth in the CONTRACT and ITB.

2.4. The above personnel shall be the same as has been proposed by the CONTRACTOR in its BID. All the personnel on behalf of the CONTRACTOR shall be fluent in the English language, and shall conform with all of the requirements as set forth in the ITB. The ENGINEER may, at its sole discretion, withdraw approval for CONTRACTOR'S personnel

previously granted by the COMPANY and request the replacement of any of such personnel, provided that the ENGINEER shall do so only for sound professional reasons.

3. THE SCHEDULE

- 3.1. Not later than 3 days following the date of issuance of the COMMENCEMENT ORDER, the CONTRACTOR shall submit to the ENGINEER for his review, comment and approval a dated and detailed day by day overall SCHEDULE, for the performance of the SERVICES, which shall be prepared in accordance with and on the basis of the information set forth in the FRAME SCHEDULE (**ANNEX 1**), and on the basis of the detailed schedule submitted by the CONTRACTOR as part of its BID, and pursuant to any other CONTRACT DOCUMENTS and any revisions thereto made by the COMPANY.
- 3.2. Upon its final approval by the ENGINEER, the SCHEDULE shall be annexed as **ANNEX 1A** hereof and the CONTRACTOR shall be obligated to perform the SERVICES in accordance therewith. In case of any discrepancy or contradiction between the SCHEDULE and the FRAME SCHEDULE, the provisions and the terms contained in the SCHEDULE shall prevail.
- 3.3. No alterations shall be made to the SCHEDULE and FRAME SCHEDULE without the prior written approval or specific request of the ENGINEER.

4. OPERATION PROCEDURES

- 4.1. Within not later than 30 days after the EFFECTIVE DATE the CONTRACTOR shall prepare, at its own account, and submit to the COMPANY, free of charge and in a digital format as shall be determined by the COMPANY, OPERATION PROCEDURES, in the English language, for launching, receiving, operation and running of the INSPECTION TOOLS, and all in accordance with the TECHNICAL VOLUMES.
- 4.2. The COMPANY shall review and comment on the OPERATIONS PROCEDURES and shall provide its comments to the CONTRACTOR within 14 days of the date of the OPERATIONS PROCEDURES receipt thereby.
- 4.3. Within a time period which will commence 45 days after the EFFECTIVE DATE and not later than 60 days after the EFFECTIVE DATE, the CONTRACTOR shall be obligated to meet with the COMPANY in Israel, at a place as shall be determined by the COMPANY, to discuss and mutually agree on the OPERATION PROCEDURES. The agreed OPERATION PROCEDURES shall be annexed hereto as **ANNEX 2**.
- 4.4. Unless otherwise determined in writing by the COMPANY, in the event of conflict between the provisions of the TECHNICAL VOLUMES and the provisions of the OPERATIONS PROCEDURES, the provisions of the TECHNICAL VOLUMES shall prevail.

5. SITE AND TECHNICAL ASPECTS

- 5.1. Without derogating from Section 6.5.1 of the CONTRACT, prior to the performance of any of the SERVICES and to the mobilization of any of the CONTRACTOR'S EQUIPMENT, materials and/or personnel to the SITE, the CONTRACTOR shall participate in a guided visit to the SITE, which may be provided thereto by the COMPANY, upon the COMPANY'S request, within a time period commencing 45 days after the EFFECTIVE DATE and ending not later than a week thereafter (the "**GUIDED VISIT**").
- 5.2. Each party shall bear its own associated costs and expenses related to the GUIDED VISIT. Failure to participate in the GUIDED VISIT by the CONTRACTOR shall in no way derogate from the above acknowledgment, confirmation and waiver of the CONTRACTOR, and the CONTRACTOR shall be stopped from raising and hereby waives any claim of defect, non-compliance with regard to all the above stated and/or lack of knowledge and/or information with regard to all the above stated.

6. PIPELINES CONDITIONS CERTIFICATE

Within the time schedule for submission of the operation procedures, the CONTRACTOR shall submit to the COMPANY the PIPELINES CONDITIONS CERTIFICATE, in the form of **ANNEX 3** declaring the agreed PIPELINE/S conditions with respect to the pressure and flow rate required are suitable for the pigging activity for the performance of the SERVICES, which shall be based upon its BID submitted thereby within the TENDER PROCESS.

7. INTELLIGENT PIGGING SERVICES

Without derogating from the foregoing and from any of the requirements set forth in the CONTRACT, including the TECHNICAL VOLUMES and the OPERATIONS PROCEDURES, the CONTRACTOR shall use the CONTRACTOR'S EQUIPMENT, as follows, and provide the COMPANY with the following services, within the framework of the SERVICES:

7.1. COMMENCEMENT ORDER & MOBILIZATION DATE

Subject to the receipt by the COMPANY of all of the permits and authorizations required to be obtained thereby under any applicable law and/or all governmental directives and instructions in connection with the performance of the SERVICES and to the fulfillment by the CONTRACTOR, of all of its obligations as required hereunder prior to the commencement of the SERVICES, as detailed under the CONTRACT and the TECHNICAL VOLUMES, the COMPANY shall issue to the CONTRACTOR a COMMENCEMENT ORDER, as set forth in **ANNEX 4** hereof ordering the CONTRACTOR to commence the performance of the SERVICES at the SITE on the date set forth therein, in accordance with the FRAME SCHEDULE and the SCHEDULE (as may be amended by the COMPANY in accordance with the CONTRACT).

Within 3 days of receipt of the COMMENCEMENT ORDER, the CONTRACTOR shall provide the COMPANY with an expected date of MOBILIZATION, and shall not begin MOBILIZATION prior to obtaining the COMPANY'S express written approval with respect to such date.

- 7.2. So long as the CONTRACTOR has not yet begun MOBILIZATION, the date of commencement of the SERVICES, as set forth in the COMMENCEMENT ORDER, may be modified by the COMPANY as many times as it deems necessary, provided, however, that the commencement date will be within 12 months from the EFFECTIVE DATE and subject to providing the CONTRACTOR with a notice regarding the commencement order change at least sixty 60 days in advance.
- 7.3. In the event that the commencement date has not been determined by the COMPANY within such 12 months period, for any reason whatsoever, then the COMPANY shall be entitled to order the CONTRACTOR to perform the SERVICES on any other date as shall be determined thereby, provided that it shall provide the CONTRACTOR with an advance notice of at least 120 days in respect thereto. In the event that the COMPANY does not set a date for the commencement of the SERVICES in accordance with above, then the CONTRACT will be terminated and the CONTRACTOR shall not have any claims and/or demands and/or actions against the COMPANY in connection with such termination.
- 7.4. Unless otherwise directed by the COMPANY in writing, the CONTRACTOR shall perform each RUN through the PIPELINE/S only in the presence of the COMPANY, the ENGINEER and/or anyone on its/their behalf.

7.5. RUNS PERFORMANCE

- 7.5.1. Subject to the COMPANY'S instructions and all of the requirements contained in the CONTRACT and in the TECHNICAL VOLUMES and OPERATIONS PROCEDURES, the CONTRACTOR shall perform all RUNS, as set forth in Clauses 7.6, 7.8, 7.9.2 and 10 below, separately, for each PIPELINE. Only upon completion of all RUNS with respect to one of the PIPELINE/S, to the COMPANY'S full satisfaction, shall the CONTRACTOR proceed with the performance of the RUNS in respect of the other PIPELINE. The CONTRACTOR shall be obligated to complete the performance of all RUNS with respect to each of the PIPELINES within 15 working days.
- 7.5.2. With respect to each PIPELINE, pursuant to the completion of each RUN the CONTRACTOR shall issue to the COMPANY a RUN CERTIFICATE evidencing such completion, in the form set forth in **ANNEX 5** hereof, and the ENGINEER, or any other authorized representative of the COMPANY, shall acknowledge the receipt thereof in accordance therewith.

7.5.3. Unless otherwise instructed by the COMPANY in writing, every 24, the CONTRACTOR shall conduct a briefing to the COMPANY providing it with relevant explanations and instructions concerning all actions and SERVICES which will be performed thereby within the next 24 hours. The specific time of the briefing will be coordinated with the COMPANY, and all personnel involved in such actions will be obligated to attend such briefing. Any one of the personnel who is intended to perform any such actions and who has not attended such briefing, will perform any such action only subject the ENGINEER'S approval and after being briefed thereby.

7.6. Use of the CLEANING PIG

The CONTRACTOR shall be responsible for cleaning the PIPELINES by using the CLEANING PIG in accordance with the TECHNICAL VOLUMES and the OPERATIONS PROCEDURES. Taking into consideration the fact that the first PIPELINES were installed at the end of the year 2004 and are operational from June 2006. The CONTRACTOR shall conduct as many cleaning RUNS as necessary to reach the degree of cleanliness specified by it in its BID. For the avoidance of doubt, all cleaning RUNS performed in accordance with the above shall be deemed to be included in the CONTRACT PRICE.

7.7. Use of the GAUGE PLATE PIG and/or the CALIPER TOOL to ensure free passage of the MFL TOOL

7.7.1. The CONTRACTOR shall use the GAUGE PLATE PIG and/or the CALIPER TOOL, as necessary, in order to inspect the condition of the PIPELINES and to ensure the free passage of the MFL TOOL through the PIPELINE/S, all in accordance with the TECHNICAL VOLUMES and the OPERATIONS PROCEDURES.

The GAUGE PLATE PIG shall be used by the CONTRACTOR in order to confirm the geometrical integrity of the internal part of the PIPELINE/S. In the event that the gauge plate of the GAUGE PLATE PIG is damaged in the process of the survey of the PIPELINES, further investigation by the CALIPER TOOL shall be performed by the CONTRACTOR, in order to locate the obstruction and measure its exact location.

For the avoidance of any doubt, except if expressly stated otherwise hereunder, in the event that the use of the CALIPER TOOL will not be necessary, the COMPANY will not be obligated to pay the CONTRACTOR for any costs and expenses of any kind in relation therewith.

In the event that a CALIPER RUN is performed, the CONTRACTOR shall provide the COMPANY with the CALIPER REPORT as set forth in **ANNEX 6** on SITE. For the avoidance of any doubt, the above shall not derogate from the CONTRACTOR'S obligation to bring the CALIPER TOOL to the SITE.

7.7.2. The performance of the SURVEY RUN with the MFL TOOL (as hereinafter defined), will be dependant, inter alia, upon the results of the last RUN of the GAUGE PLATE PIG and the CALIPER TOOL, if applicable, and the CONTRACTOR shall only proceed with the performance of the SURVEY RUN, upon the COMPANY'S instruction in respect thereto. For the avoidance of any doubt, this provision shall not, in any way, derogate from the COMPANY'S rights or impose on the COMPANY any responsibilities, obligations and liabilities under the CONTRACT, and shall not derogate in any way from the CONTRACTOR'S liabilities, responsibilities and obligations under the CONTRACT in respect of the SERVICES or any part thereof.

7.8. Use of the MFL TOOL for the performance of the SURVEY RUN

7.8.1. The CONTRACTOR shall conduct one survey run of each of the PIPELINE/S by using the MFL TOOL, and all in accordance with the TECHNICAL VOLUMES and the OPERATIONS PROCEDURES (the "**SURVEY RUN**").

The CONTRACTOR shall, prior to the performance of each SURVEY RUN, confirm that the PIPELINES' conditions, with respect to the pressure and flow rate are as set forth in **ANNEX 3**, as well as that the percentages of deviation in ovality, if detected in previous RUNS, meet the specifications of the MFL TOOL as specified in its BID, so as to allow a safe and successful RUN of the MFL TOOL.

7.8.2. Without derogating from anything in section 7.7.2 above, in the event that in spite of the Contractor's conformance with all the TENDER DOCUMENTS, PIPELINES' conditions cannot ensure the safe passage of the MFL TOOL, then the Parties may mutually agree on a solution with respect thereto, including with respect to the allocation of costs required in connection therewith.

7.9. Use of the TFI TOOL and the INS

7.9.1. Subject to the COMPANY'S request, the CONTRACTOR shall use the TFI TOOL and/or the INS, together with the INSPECTION TOOLS.

7.9.2. Without derogating in any way from the CONTRACTOR'S liabilities, responsibilities and obligations under the CONTRACT, in the event that any of the INSPECTION TOOLS used by the CONTRACTOR for the performance of the SERVICES comes out of the PIPELINE damaged or missing any parts or in the case that any such INSPECTION TOOLS do not come out of the PIPELINE, the CONTRACTOR shall be responsible for the immediate removal of all such parts, and/or for the immediate removal of such TOOL/S, as the case may be, from the PIPELINE/S, including for the performance of any additional cleaning RUNS, as may be required, at its own account. The CONTRACTOR shall be liable with respect to any damages of any kind whatsoever suffered by the COMPANY in connection with such event and shall compensate, hold harmless and indemnify the COMPANY, immediately upon its first request, from and against any liability for dam-

ages due to such event, and against any and all claims, demands, proceedings, actions, damages, costs, charges and expenses whatsoever, in regard or in relation to such event.

- 7.9.3. Without derogation from the generality of the foregoing, in the event that any of the INSPECTION TOOLS used for the performance of the SERVICES do not come out of the PIPELINE/S, the COMPANY shall provide the CONTRACTOR with all reasonable assistance required in connection with the removal of such INSPECTION TOOL/S from the PIPELINE/S and if the COMPANY will determine that such TOOL/S did not come out of the PIPELINE/S due to reasons which are not attributable in any way to the CONTRACTOR, then the COMPANY shall bear all reasonable costs actually incurred in connection with such removal.

7.10. Data Storage and Evaluation

- 7.10.1. Immediately after the performance of each SURVEY RUN of the MFL and/or any RUN with the CALIPER TOOL, the CONTRACTOR shall be responsible to download, store, back-up and take any and all other measures, as may be required, to avoid any loss of all the information collected by the CALIPER TOOL and/or by the MFL TOOL during the RUN performed therewith (the "DATA"), and check it for quality and completeness. Such DATA check must be carried out at the SITE prior to the performance of any subsequent RUN and prior to DEMOBILIZATION.
- 7.10.2. Not later than 24 hours prior to CONTRACTOR'S DEMOBILIZATION, the CONTRACTOR shall provide the COMPANY with all the DATA and any raw DATA collected during the performance of the SERVICES.
- 7.10.3. After the completion of the SERVICES with respect to each PIPELINE, the CONTRACTOR shall provide the COMPANY with a DATA SUFFICIENCY CERTIFICATE as set forth in **ANNEX 7**.

The submission of the DATA SUFFICIENCY CERTIFICATE in accordance with the above, shall be a pre-condition to the performance of any SERVICES with respect to the next PIPELINE. Furthermore, the CONTRACTOR shall not perform DEMOBILIZATION unless it had provided the COMPANY with all required documentation and certificates, including the DATA SUFFICIENCY CERTIFICATE.

- 7.10.4. The DATA will then be further analyzed by the CONTRACTOR to determine the dimensions of the features detected during the SURVEY RUN and to classify such features as: metal loss, dents, installations and other features such as sleeves, cathodic protection joints, tees, etc.
- 7.10.5. The CONTRACTOR shall have available a sufficiently powerful computer system to be able to download, store, back-up and evaluate the DATA, by using automatic search programs to carry out individual analysis of the DATA.

7.11. COMPANY Acknowledgment of Receipt

For the avoidance of any doubt, the COMPANY'S signature on any of the certificates described in Clauses 6, 7.5.2, 7.10.3 above and on the CALIPER REPORT referenced in Clause 7.7.1 above, shall be deemed merely and solely as acknowledgment of receipt by the COMPANY of each such certificate and/or report and will not constitute and/or imply in any way an approval and/or acceptance of its contents by the COMPANY. Furthermore, such acknowledgment of receipt will not derogate in any way from the COMPANY'S rights to raise any claims and/or demands against the CONTRACTOR regarding the SERVICES, with respect to, inter alia, the performance, completion, conformity and/or quality of the SERVICES, and from the rights it may be entitled to under the CONTRACT and under any law in connection therewith; will not derogate in any way from any of the CONTRACTOR'S obligations, responsibilities and liabilities hereunder and under any law; and will not impose on the COMPANY any liability of any kind whatsoever.

7.12. Run Reports

7.12.1. Daily Report

Unless the COMPANY determines otherwise, every 24 hours, the CONTRACTOR shall provide the COMPANY with a daily report containing a short description of all actions performed thereby in relation to the SERVICES during the preceding 24 hours.

7.12.2. Preliminary Report (verification of raw DATA on SITE)

Within 2 days after the completion of the SERVICES for each PIPELINE, the CONTRACTOR shall prepare and submit to the COMPANY a preliminary report, in writing, containing a preliminary evaluation and analysis of the DATA, (the "**PRELIMINARY REPORT**"). In the event of any loss or damage to the DATA, which is not caused due to actions or omissions of the COMPANY, the CONTRACTOR will repeat all necessary steps, at its own expense, in order to retain the full and complete DATA required for providing the COMPANY with the PRELIMINARY REPORT and with the FINAL REPORT (as defined below).

7.12.3. Final Report

7.12.3.1. After the completion of the SERVICES, and in any event within a maximum period of 90 days from the EFFECTIVE DATE, the CONTRACTOR shall submit to the COMPANY a written final report, summarizing all findings and its evaluation and analysis thereof in respect of the SERVICES and the DATA, and all in conformance with the applicable requirements and specifications set forth in the TECHNICAL VOLUMES (the "**FINAL REPORT**") in 1 original & 3 copies hard copies and a CD with analyzed DATA, as defined in the TECHNICAL VOLUMES.

- 7.12.3.2. Without derogating from the above, the FINAL REPORT shall include, inter alia, a DATA evaluation, creating: (i) Pipe tally - a list of the individual pipe joints/ girth welds; (ii) Features List – a list of all features detected during the SURVEY RUN; and (iii) analysis of all features detected during the SURVEY RUN.
- 7.12.3.3. The CONTRACTOR shall draw up the PRELIMINARY REPORT and the FINAL REPORT, and any other recommendations related to the PIPELINES and to the SERVICES in the best manner, using its best knowledge and conviction, without prejudice.
- 7.12.3.4. The CONTRACTOR shall perform a presentation with respect to the FINAL REPORT to the COMPANY, at its offices in Israel, at an agreed upon time, and any and all costs and expenses in relation thereto, including, without limitation, flights, per diem costs and accommodation, shall be deemed to be included in the CONTRACT PRICE.
- 7.12.3.5. Incomplete FINAL REPORT
- a) Within 60 days of the date of receipt of the FINAL REPORT by the COMPANY, the COMPANY shall review the FINAL REPORT and check if it is complete and adequate (the "**REVIEW OF FINAL REPORT PERIOD**").
 - b) In the event that the FINAL REPORT is in not complete due to insufficient raw DATA, the CONTRACTOR shall be obligated to immediately return to the SITE and perform the SERVICES, until it obtains sufficient raw DATA, all at the CONTRACTOR'S own risk and expense. The CONTRACTOR shall compensate and indemnify the COMPANY, immediately upon its first demand, for any and all of its related costs and expenses in connection with such return.
 - c) In the event that the FINAL REPORT is inadequate, as determined by the COMPANY at its sole discretion, the COMPANY shall either order the CONTRACTOR to provide it, within 30 days, with an additional adequate and conforming FINAL REPORT or to evaluate the DATA on its own, in each case, at the CONTRACTOR'S own expense (the "**FINAL REPORT AMENDMENT PERIOD**").

8. RE-RUNS

In the event that the COMPANY determines that a Run was unsuccessful, then the CONTRACTOR shall be obligated to perform a Re-Run, in accordance with the following:

8.1. If the CONTRACTOR is required to repeat a RUN of any of the INSPECTION TOOLS ("RE-RUNS") due to: a) bad conditions in the PIPELINES, resulting in inadequate DATA; and/or b) bad conditions in the PIPELINES causing damages to any of the INSPECTION TOOLS; and/or c) deficiencies, faults or failure of any of the INSPECTION TOOLS or failure of the CONTRACTOR to fulfill any of its obligations hereunder and in accordance with the TECHNICAL VOLUMES, in respect of the performance of such RUN, then the following shall apply:

8.1.1. If the repeated RE-RUN is required due to the reasons stipulated in Clause 8.1 (a) and (b) above, and only in the event that the COMPANY is solely responsible for such conditions prevailing in the PIPELINES, then the COMPANY shall pay the CONTRACTOR, as its sole and exclusive remedy in connection with such event, the consideration for the performance of the Re-Run, which shall be calculated in accordance with the terms and conditions hereof and in the PRICE TABLE, and the STAND BY DAILY RATE for every day of extension of the SCHEDULE, if extended, and all in accordance with the CONTRACT (Suspension & Cancellation of the Services Clause).

8.1.2. If the repeated RE-RUN is required due to the reason stipulated in Clause 8.1 (c) above, all costs of the repeated RE-RUN shall be borne solely by the CONTRACTOR. Furthermore, in case of failure of the INSPECTION TOOLS, the COMPANY shall not accept the recorded DATA if it has not gathered such DATA for 10 or more meters in continuity. In such case the CONTRACTOR shall be liable to perform the RE- RUN at its own expense.

8.2. Notwithstanding the aforesaid, should the COMPANY fail to enable the RE-RUN, or should the CONTRACTOR, for any reason, not be able to complete the RE-RUN, within the stipulated terms, then the COMPANY will determine, together with the CONTRACTOR whether to keep the CONTRACTOR'S personnel on STAND-BY, until it is able to do so or schedule a date for the performance of the RE-RUN by the CONTRACTOR, in which case the CONTRACTOR shall be entitled to perform demobilization from the SITE, subject to the written approval of the COMPANY, and be obligated to perform mobilization to the SITE within a time period as shall be required in order to perform the RE-RUN at such scheduled date.

In such event, the CONTRACTOR shall be entitled to receive the consideration for the performance of demobilization and mobilization to and from the SITE in accordance with the rate of MOBILIZATION and DEMOBILIZATION, respectively, only if the repeated RE-RUN is required due to the reasons stipulated in Clause 8.1 (a) and (b) above, and only in the event that the COMPANY is solely responsible for such conditions prevailing in the

PIPELINES. In any other case the CONTRACTOR shall bear and be liable for any and all costs and expenses related in connection thereto. Notwithstanding the foregoing, in such event, either party may terminate the CONTRACT subject to and in accordance with the terms and conditions set forth in the CONTRACT (Termination Clause).

9. PIPELINES WASTE

The CONTRACTOR shall be obligated to remove and discharge all waste from the PIPELINES, formed in connection with the SERVICES, and especially as a result of the cleaning RUNS, to a designated container provided by the COMPANY at the SITE.

The COMPANY shall be responsible for the removal from the SITE of the container containing the discharged waste.

10. CLEARANCE OF THE SITE

10.1. The CONTRACTOR shall, from time to time during the execution of the SERVICES clear away and remove all rubbish and surplus materials from the SITE, and undertake other tasks as set forth in the TECHNICAL VOLUMES concerning the clearance of the SITE. Upon completion of the SERVICES, the CONTRACTOR shall remove all of CONTRACTOR'S EQUIPMENT and all other excess materials and equipment and leave the PIPELINES and the SITE in a clean and workmanlike condition to the complete satisfaction of the ENGINEER.

10.2. If within 3 days of receiving written instructions from the COMPANY or the ENGINEER, or within any other time period as set forth in the COMPANY'S or in the ENGINEER'S written instructions, the CONTRACTOR does not begin the above mentioned clearance of the SITE, such services may be executed by the COMPANY and at the expense of the CONTRACTOR.

11. CONTRACTOR'S EQUIPMENT & PERSONNEL

11.1. The CONTRACTOR shall provide, at its own care and expense, all equipment required under the CONTRACT and necessary to complete the SERVICES, which shall be in full conformity with the requirements and specifications set forth in the TECHNICAL VOLUMES and the OPERATIONS PROCEDURES.

11.2. The CONTRACTOR shall also be responsible for the provision, at its own care and expense and in full conformity with the TECHNICAL VOLUMES and the OPERATIONS PROCEDURES, of all other additional materials whether of a temporary or permanent nature, as well as any superintendence and labor, necessary or expedient for carrying out all of the SERVICES, maintaining the rate of progress required by the CONTRACT and the COMPLETION DEADLINE, and remedying any DEFECTS.

- 11.3. All of the CONTRACTOR'S EQUIPMENT and materials on the SITE shall be deemed to be exclusively for the execution of the SERVICES and the CONTRACTOR shall not remove any equipment and/or materials from the SITE without the prior express written permission of the ENGINEER.
- 11.4. Prior to the commencement of the SERVICES, the CONTRACTOR will have performed all TESTS OF INSPECTION TOOLS in order to ensure the proper operation thereof during the execution of the SERVICES and provide the COMPANY with all of the applicable TEST OF INSPECTION TOOLS CERTIFICATES as set forth in **ANNEX 8**. Furthermore, the CONTRACTOR shall be responsible for maintaining the CONTRACTOR'S EQUIPMENT and materials in good working condition, at its own expense, and to ensure the availability of corresponding spare parts, as necessary for continuous operation. All sums paid by the COMPANY and all costs incurred by it under any of the arrangements contemplated by the CONTRACT (Contractor's Employees Clause) shall be deemed, for the purposes of the CONTRACT (Changes in Cost Clause), to be part of the cost of executing and completing the SERVICES and the remedying of any DEFECTS by the CONTRACTOR without additional payment by the COMPANY.
- 11.5. Upon entering into any subcontracting agreement, the CONTRACTOR shall ensure that the provisions of this Clause shall be expressly incorporated and shall apply to all of CONTRACTOR'S EQUIPMENT and materials, as well as to any facilities or materials brought on to the SITE by the SUBCONTRACTOR.
- 11.6. Customs Clearance
- It is the sole responsibility of the CONTRACTOR to verify all requirements of the Customs Authorities of the State of Israel and to abide thereby. No claim for additional costs, or extension of deadlines will be entertained as a result of failure by the CONTRACTOR to take into account the conditions under which any and all equipment, including CONTRACTOR'S EQUIPMENT, materials, etc., can be imported into the State of Israel, including payments, guarantees, taxes, charges, levies, harbor charges or any other payments, documents or requirements due to the State of Israel, and various competent authorities therein, including without limitation the Israel Ports Authority.
- 11.7. It is the sole responsibility of the CONTRACTOR to provide on its own costs the required cranes and trucks to mobilize the CONTRACTOR'S EQUIPMENT from the port to the DESIGNATED AREA (in section 13 below) and back while de-mobilizing.
- 11.8. Without derogating from the CONTRACT, the CONTRACTOR shall provide accommodation and transportation for its personnel and anyone on its behalf employed in the SERVICES, on its sole responsibility and costs.

12. COMPANY'S OBLIGATIONS

Without derogating, in any way, from the liabilities, responsibilities and obligations of the CONTRACTOR according to the CONTRACT, the COMPANY obligations in relation to the SERVICES shall be as follows:

- 12.1. The COMPANY shall prepare the SITE and the PIPELINES for launching and receiving of the INSPECTION TOOLS pursuant to the OPERATIONS PROCEDURES.
- 12.2. The COMPANY shall provide an area at the SITE for the CONTRACTOR'S EQUIPMENT and personnel, along with a connection to a 220V power source.
- 12.3. The COMPANY will be obligated to place at the SITE a container, which will be designated for the discharge of the waste from the PIPELINES, formed in connection with the SERVICES.
- 12.4. The COMPANY shall provide the required crane trucks to lift and mobilize the CONTRACTOR'S EQUIPMENT from the CONTRACTOR'S designated area (in clause 13 below) to the launching and receiving station and back to such designated area, including during the performance of the SERVICES at the launching and receiving station.
- 12.5. The COMPANY shall be responsible to coordinate with its gas supplier/s and consumer/s the appropriate pressure and flow rate of natural gas in the PIPELINES in order to enable the performance of the SERVICES in accordance with the appropriate speed as set forth in the PIPELINES CONDITIONS CERTIFICATE.
- 12.6. The COMPANY will be responsible for the operation of the SYSTEM and all valves, for installing and dismantling the launcher and receiver trap for the INSPECTION TOOLS, and for opening and closing the hatch thereof, all in full compliance with the OPERATIONS PROCEDURES.

13. CONTRACTOR'S DESIGNATED AREA

- 13.1. Subject to the provisions below the COMPANY shall, in accordance with the SCHEDULE and FRAME SCHEDULE, grant to the CONTRACTOR access to the SITE, free of any obstacles and hindrances which could delay and handicap the progress of the SERVICES.
- 13.2. The COMPANY shall designate for the CONTRACTORS, free of charge, an area at the proximity of the launching and receiving station (the "**DESIGNATED AREA**"), which includes reasonable work offices and storage yard, to be used by the CONTRACTOR'S personnel who will be performing the SERVICES and for anybody on its behalf, including for placing the CONTRACTOR'S EQUIPMENT.

13.3. The CONTRACTOR'S shall remain obliged to bring to the DESIGNATED AREA the required containers for storage and the performance of the SERVICES, on its own responsibility and costs, except for a container used for waste discharge from the PIPELINE/S according to section 12.5 above, or performance of the SERVICES, as may be relevant.

13.4. As to current time, the DESIGNATED AREA are as follows:

The primary DESIGNATED AREA – The COMPANY'S Maintenance & Logistic Center at Kanot Industrial Area.

The COMPANY'S, with prior coordination with the CONTRACTOR, may decide to use the following Maintenance & Logistics Centers as alternatives DESIGNATED AREA, according to the launcher and receiver stations: at the north part of Israel – Haifa, at the south part of Israel Rotem Industrial Park (in Dimona vicinity). The COMPANY may change such Designated Area in its sole discretion.

13.5. Subject to the Clauses 13.1 & 13.2 above, the CONTRACTOR shall bear sole responsibility as well as all costs and charges in connection with the organization of monitoring points and any other special facilities, of any nature whatsoever which the CONTRACTOR shall require in order to perform the SERVICES, including without limitation, maintenance of mechanical equipment, , residence for personnel and employees.

13.6. For the avoidance of any doubt, the COMPANY shall not be responsible in any way for setting up any facilities or for the provision of any equipment to be used by the CONTRACTOR at the CONTRACTOR'S DESIGNATED AREA, and the CONTRACTOR shall be solely responsible, on its own account, to set up any facility therein or to acquire any equipment it deems required for the performance of the SERVICES, subject to any applicable law and to the COMPANY'S written approval.

13.7. The CONTRACTOR shall be solely responsible and shall incur full liability in respect of all of its equipment, personnel and anybody on its behalf, including the SUBCONTRACTORS and their equipment present and/or stored at the CONTRACTOR'S DESIGNATED AREA and for any facility that the CONTRACTOR may set up therein.

14. DATES FOR INSPECTION AND SURVEYING

Without derogating, in any way from the CONTRACT, the CONTRACTOR, at its sole expense, shall perform, throughout the progress of the SERVICES, such surveys of the SERVICES or the SYSTEM, as are set forth in the TECHNICAL VOLUMES, and or as set forth in any specific instructions of the ENGINEER to that effect, and shall ensure that such surveys are conducted in the presence of the ENGINEER or any representative thereof and the THIRD PARTY INSPECTOR, if applicable. The ENGINEER shall agree with the CONTRACTOR on the date and time for such surveying.

15. FINAL REPORT DEFICIENCY CORRECTION

Without derogating from any of the COMPANY'S rights under this CONTRACT and under any LAW, within 1 year of the CONTRACTOR'S delivery of the FINAL REPORT (the "**DEFECT LIABILITY PERIOD**"), the COMPANY shall be entitled to notify the CONTRACTOR, in writing, of any deficiency in the FINAL REPORT, and the CONTRACTOR shall reanalyze the DATA and provide the COMPANY with a revised FINAL REPORT, at its own expense, within not later than 60 days of the date of the COMPANY'S notification, and shall compensate the COMPANY for its documented and verified losses attributable to such deficiency. The CONTRACTOR shall remain liable following the DEFECT LIABILITY PERIOD for any latent DEFECTS, or DEFECTS resulting from willful misconduct or GROSS MISCONDUCT.

16. FINAL ACCEPTANCE CERTIFICATE

Without derogating from any of the COMPANY'S rights with respect to latent DEFECTS or DEFECTS resulting from willful misconduct or GROSS MISCONDUCT, as set forth in the CONTRACT (Final Report Deficiency Correction Clause), upon expiry of the DEFECTS LIABILITY PERIOD, as extended, if extended, pursuant to the terms of the CONTRACT, and upon fulfillment of all the CONTRACTOR'S obligations under the CONTRACT, the COMPANY shall issue to the CONTRACTOR a FINAL ACCEPTANCE CERTIFICATE as set forth in **ANNEX 9**.

ANNEX 1 – FRAME SCHEDULE

The total Schematic Frame Schedule for the execution of the Services shall be according to the milestones as follows:

1. Total Period for the Completion of Services

Referring to the date of completion of the pig runs on site.

- **For the 18" Segments: Aroer to Sdom, Kishon to Haifa (IEC), Holot to Shafdan & 24" Segment Tel Kashish – Kishon (the "Immediate Projects") - No later than 90 days** after signing the Contract.
- **For any future pipeline segments (the "Future Projects") - No later than 90 days** Commencement Order issued by the Company

2. Submitting launching and receiving procedures to Company Approval

- **For the Immediate Projects - No later than 30 days** after signing the Contract.
- **For the Future Projects – No later than 30 days** after Commencement Order issued by the Company.

3. Supplier Guided visit at the Site of the Services

- **For the Immediate Projects - No later than 45 days** after signing the Contract.
- **For the Future Projects – No later than 45 days** after Commencement Order issued by the Company.

4. Mobilization

- 4.1. Mobilization of equipment to the Site of the Services in Israel within **14 days before** actual pigging operation start.
- 4.2. Mobilization of personnel to the Site of the Services in Israel within **5 days before** actual pigging operation start.

5. Verification of raw Data on Site

Within 2 days after the completion of the Services for each Pipeline.

6. Submitting of a Preliminary Report to the Company

Within 30 days after completion of the pigging of each of the pipeline segment.

7. Submitting of a Final Report to the Company

Within 90 days after completion of fieldwork on Site depending on the condition of the pipeline. .

ANNEX 1A – SCHEDULE

TO BE INCLUDED

Not for Submission

ANNEX 2 - OPERATION PROCEDURES

TO BE INCLUDED

Not for Submission

ANNEX 3 – PIPELINE CONDITION CERTIFICATE

To:

Israel Natural Gas Lines Company Ltd.

This PIPELINES CONDITIONS CERTIFICATE is hereby provided to the COMPANY by the CONTRACTOR in accordance with Clause 6 of the TECHNICAL VOLUME of the CONTRACT, and nothing herein shall derogate in any way from any of the terms and conditions contained in the CONTRACT.

The CONTRACTOR hereby declares, warrants and confirms to the COMPANY as follows:

1. The agreed PIPELINES CONDITIONS with respect to the gas pressure and flow rate required for the performance of the SERVICES are as follows:
 - a. Gas flow rate: _____.
 - b. Gas Pressure: _____.

2. The CONTRACTOR hereby acknowledges and agrees that the signature of the COMPANY and/or the ENGINEER on this PIPELINES CONDITIONS CERTIFICATE shall be deemed merely and solely as acknowledgment of receipt thereof and shall not derogate in any way from any of the COMPANY'S rights stipulated the CONTRACT.

IN WITNESS WHEREOF, this PIPELINES CONDITIONS CERTIFICATE is executed by the CONTRACTOR on this _____ day of _____, 20__.

_____	_____
CONTRACTOR	Date

The COMPANY hereby acknowledges the receipt of the PIPELINES CONDITIONS CERTIFICATE on the date set forth below.

_____	_____
COMPANY	Date

ANNEX 4 - COMMENCEMENT ORDER

By this COMMENCEMENT ORDER, issued by the COMPANY on the date set forth herein below, the CONTRACTOR is hereby ordered by the COMPANY, to commence the performance of the SERVICES, in accordance with the AGREEMENT, the CONTRACT and with the following terms and conditions.

All terms and expressions contained in this COMMENCEMENT ORDER shall retain the meanings ascribed to them in the CONTRACT and in the TENDER DOCUMENTS.

The COMPANY hereby orders the CONTRACTOR and the CONTRACTOR hereby agrees and acknowledges as follows:

1. The COMPANY hereby orders the CONTRACTOR to commence the performance of the SERVICES at the SITE, on _____, and the CONTRACTOR hereby undertakes to commence the performance of the SERVICES on such date, all in accordance with the terms and conditions contained in the CONTRACT and without derogating therefrom.
2. The COMPANY hereby requests the CONTRACTOR, and the CONTRACTOR hereby agrees, to provide the COMPANY, within 3 days of the receipt of this COMMENCEMENT ORDER by the CONTRACTOR, as acknowledged thereby hereunder, with an expected date of MOBILIZATION, by inserting such date in the applicable space as indicated below.
3. The CONTRACTOR hereby agrees that it will not begin MOBILIZATION prior to obtaining the COMPANY'S prior express written approval with respect to such expected date of MOBILIZATION.
4. The CONTRACTOR hereby acknowledges and agrees that the COMPANY may change the date of commencement of the SERVICES set forth above, in accordance with the CONTRACT, by issuing and providing the CONTRACTOR with another COMMENCEMENT ORDER, in accordance with the CONTRACT
5. By signing this COMMENCEMENT ORDER, the CONTRACTOR hereby acknowledges the receipt hereof on the date set forth below, undertakes to fulfil all of its obligations contained herein, in the AGREEMENT and in the CONTRACT, and affirms the expected date of MOBILIZATION stated thereby as follows.

The COMPANY hereby affirms that this COMMENCEMENT ORDER has been issued thereby on the date set forth below.

COMPANY

DATE

<u>EXPECTED DATE OF MOBILIZATION:</u>	<u>SIGNATURE OF THE CONTRACTOR:</u>
The expected date of MOBILIZATION shall be as follows: _____	Name: _____ Title: _____ Date of receipt of this Commencement Order: _____

Not for Submission

ANNEX 5 – RUN CERTIFICATE

To:

Israel Natural Gas Lines Company Ltd.

This RUN CERTIFICATE is hereby provided to the COMPANY by the CONTRACTOR in accordance with the CONTRACT, and nothing herein shall derogate in any way from any of the terms and conditions contained in the CONTRACT.

All terms and expressions in this RUN CERTIFICATE shall retain the meanings ascribed to them in the CONTRACT and in the TENDER DOCUMENTS.

The CONTRACTOR hereby declares, warrants and confirms to the COMPANY as follows:

3. The PIPELINE'S conditions during the performance of the RUN were in full conformity with the conditions agreed upon between the parties in accordance with the CONTRACT, and with the TECHNICAL VOLUMES, which form a part thereof.
4. The CONTRACTOR has successfully completed the performance of a RUN with _____ (describe the applicable INSPECTION TOOL, herein, the "**INSPECTION TOOL**"), on the date of execution of this RUN CERTIFICATE thereby, in full conformity with the CONTRACT and the TECHNICAL VOLUMES which forms a part thereof.

OR [ERASE THE INAPPLICABLE OPTION]

The RUN was unsuccessful due to the following reasons:

5. No parts and/or components of the INSPECTION TOOL were dismantled throughout the RUN.

OR [ERASE THE INAPPLICABLE OPTION]

The following parts and/or components of the INSPECTION TOOL were dismantled during the RUN:

The initial findings of the RUN are reported as follows:

The CONTRACTOR hereby acknowledges and agrees that the signature of the COMPANY and/or the ENGINEER on this RUN CERTIFICATE shall be deemed merely and solely as acknowledgment of receipt thereof and does not constitute or imply in any way an approval and/or acceptance of its contents thereby. Furthermore, such acknowledgment of receipt will not derogate in any way from any of the COMPANY'S rights as stipulated in the CONTRACT.

IN WITNESS WHEREOF, this RUN CERTIFICATE is executed by the CONTRACTOR on this _____ day of _____, 20__.

_____	_____
CONTRACTOR	Date

The COMPANY hereby acknowledges the receipt of the RUN CERTIFICATE on the date set forth below.

_____	_____
COMPANY	Date

Not for Submission

ANNEX 6 – CALIPER REPORT

To:

Israel Natural Gas Lines Company Ltd.

This CALIPER REPORT is hereby provided to the COMPANY by the CONTRACTOR in accordance with the CONTRACT, and nothing herein shall derogate in any way from any of the terms and conditions contained in the CONTRACT.

All terms and expressions in this CALIPER REPORT shall retain the meanings ascribed to them in the CONTRACT and in the TENDER DOCUMENTS.

The CONTRACTOR hereby declares, warrants and confirms to the COMPANY as follows:

6. The PIPELINE'S conditions during the performance of the RUN of the CALIPER TOOL were in full conformity with the conditions agreed upon between the parties in accordance with the CONTRACT, and with the TECHNICAL VOLUMES, which form a part thereof.
7. The CONTRACTOR has successfully completed the performance of the RUN of the CALIPER TOOL, on the date of execution of this CALIPER REPORT thereby, in full conformity with the CONTRACT and the TECHNICAL VOLUMES which forms a part thereof.

OR [ERASE THE INAPPLICABLE OPTION]

The CALIPER TOOL RUN was unsuccessful due to the following reasons:

8. No parts and/or components of the CALIPER TOOL were dismantled throughout the RUN.

OR [ERASE THE INAPPLICABLE OPTION]

The following parts and/or components of the CALIPER TOOL were dismantled during the RUN:

9. The initial findings of the CALIPER TOOL RUN are reported as follows:

10. The CONTRACTOR hereby acknowledges and agrees that the signature of the COMPANY and/or the ENGINEER on this CALIPER REPORT shall be deemed merely and solely as acknowledgment of receipt thereof and does not constitute or imply in any way an approval and/or acceptance of its contents thereby. Furthermore, such acknowledgment of receipt will not derogate in any way from any of the COMPANY'S rights, including its rights as stipulated in the CONTRACT.

IN WITNESS WHEREOF, this CALIPER REPORT is executed by the CONTRACTOR on this _____ day of _____, 20__.

CONTRACTOR

Date

The COMPANY hereby acknowledges the receipt of this CALIPER REPORT on the date set forth below.

COMPANY

Date

Not for Submission

ANNEX 7 – DATA SUFFICIENCY CERTIFICATE

To:

Israel Natural Gas Lines Company Ltd.

This DATA SUFFICIENCY CERTIFICATE is hereby provided to the COMPANY by the CONTRACTOR in accordance with the CONTRACT, and nothing herein shall derogate in any way from any of the terms and conditions contained in the CONTRACT.

All terms and expressions in this DATA SUFFICIENCY CERTIFICATE shall retain the meanings ascribed to them in the CONTRACT and in the TENDER DOCUMENTS.

The CONTRACTOR hereby declares warrants and confirms to the COMPANY as follows:

11. The CONTRACTOR hereby warrants, certifies and confirms, that the PIPELINE'S conditions during the performance of the SERVICES were in full conformity with the conditions agreed upon between the parties in accordance with the CONTRACT, and with the TECHNICAL VOLUMES, which form a part thereof.
12. The CONTRACTOR has successfully completed the performance of the SERVICES in the _____ PIPELINE, in full conformity with the CONTRACT and the TECHNICAL VOLUMES which form a part thereof.
13. The CONTRACTOR has obtained and stored all DATA which is required for the completion of the FINAL REPORT in accordance with the TECHNICAL VOLUMES.
14. The CONTRACTOR hereby acknowledges and agrees that the signature of the COMPANY and/or the ENGINEER on this DATA SUFFICIENCY CERTIFICATE shall be deemed merely and solely as acknowledgment of receipt thereof and does not constitute or imply in any way an approval and/or acceptance of its contents thereby. Furthermore, such acknowledgment of receipt will not derogate in any way from any of the COMPANY'S rights, including its rights as stipulated in the CONTRACT.

IN WITNESS WHEREOF, this DATA SUFFICIENCY CERTIFICATE is executed by the CONTRACTOR on this _____ day of _____, 20__.

_____	_____
CONTRACTOR	Date

The COMPANY hereby acknowledges the receipt of the DATA SUFFICIENCY CERTIFICATE on the date set forth below.

_____	_____
COMPANY	Date

ANNEX 8 – TEST OF INSPECTION TOOLS CERTIFICATE

This test of inspection tools certificate (the "**TEST OF INSPECTIONS TOOLS CERTIFICATE**") is hereby provided to the COMPANY by the CONTRACTOR, in respect of _____ [State the applicable INSPECTION TOOL, herein, the "**INSPECTION TOOL**"], in accordance with the CONTRACT, and nothing herein shall derogate in any way from any of the terms and conditions contained in the CONTRACT.

All expressions in this TEST OF INSPECTIONS TOOLS CERTIFICATE shall retain the meanings ascribed to them in the CONTRACT and in the TENDER DOCUMENTS, unless expressly provided otherwise herein;

The CONTRACTOR hereby declares warrants and confirms to the COMPANY as follows:

15. The CONTRACTOR has performed, with respect to the INSPECTION TOOL, a TEST OF INSPECTION TOOL, as required and in accordance with the TECHNICAL VOLUMES and with the CONTRACT, and hereby certifies and confirms that the INSPECTION TOOL is intact, calibrated, conforms with the requirements of the TECHNICAL VOLUMES and the CONTRACT and with the best international industry practice.
16. The CONTRACTOR hereby acknowledges and agrees that the signature of the COMPANY and/or the ENGINEER on this TEST OF INSPECTION TOOL CERTIFICATE shall be deemed merely and solely as acknowledgment of receipt thereof and does not constitute or imply in any way an approval and/or acceptance of its contents thereby. Furthermore, such acknowledgment of receipt will not derogate in any way from any of the COMPANY'S rights, including its rights as stipulated in the CONTRACT.

IN WITNESS WHEREOF, this test of inspection tool certificate is executed by the CONTRACTOR on this _____ day of _____, 20__.

CONTRACTOR

Date

The COMPANY hereby acknowledges the receipt of the TEST OF INSPECTION TOOL CERTIFICATE on the date set forth below.

COMPANY

Date

ANNEX 9 – FINAL ACCEPTANCE CERTIFICATE

Date: _____

To: _____

(The "CONTRACTOR")

This is to confirm that on _____ the CONTRACTOR became eligible to receive the FINAL ACCEPTANCE CERTIFICATE pursuant to Clause 16 of the TECHNICAL VOLUMES of the CONTRACT dated _____, and in accordance with the requirements thereof.

The above confirmation shall not in any way derogate from the provisions of the CONTRACT and from other obligations of the CONTRACTOR there-under.

Israel Natural Gas Lines Company Ltd.