

EUGENE ANTOINE AUBREY BROWNE
(MCIL, AITI, BA Hons)

Cathedral House
Station Road
Leamside
Durham
DH4 6SE

CERTIFICATE

17th September 2014

To whom it may concern,

I, Eugene Antoine Aubrey Browne of Durham, England, state that I am a member of the Chartered Institute of Linguists (CIOL, since 17th February 2007, membership number 23039), an Associate of the Institute of Translating and Interpreting (ITI, since 2007, membership number 00009606) and have a BA (Hons) degree in Modern Languages combining French, German and Spanish awarded on 22nd June 1999.

I have carried out proof-reading of four Spanish to English translations ("General Terms and Conditions", "Conditions for Assessment and Approval of Supplier and Product", "Appendix 1 Basic Criteria for Initial and Periodical Assessment of Supplier", "Appendix 2 Inspection Levels and Quality Agreement") which were given to me by Schnellübersetzer GmbH of Cologne, Germany. I have carried out proof-reading to the best of my ability and to the code of my professional bodies. The four translations are accurate translations of the original documents and I have provided my own stamp.

Signed



These translations are offered to the client and the client hereby accepts that he / she has no claim to indemnity for any loss or injury arising from the same translations whatever the capacity and undertakes not to bring any legal action against the translator in any jurisdiction anywhere in the world with regard to the same translations.

EUGÈNE ANTOINE AUBREY BROWNE
MCIL 23039

CATHEDRAL INTERNATIONAL
Translating and Interpreting
0044 191 5844401
Eugene A.A. Browne
BA (HONS) MCIL ASSOC. ITI

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1. SCOPE OF APPLICATION

These General Terms & Conditions are intended to regulate all business relationships between GAS NATURAL SDG, S.A. and its subsidiaries (hereinafter any of these being referred to as "GAS NATURAL FENOSA"), and their suppliers (hereinafter the SUPPLIER), when contracting works and services and in purchasing materials and/or items of equipment and, when in order, assembling, mounting or erecting them.

These General Terms & Conditions will apply in all the countries where GAS NATURAL FENOSA operates, together with the appendix referring to the Specific Terms and Conditions inherent to each country (Country Appendix) (hereinafter any reference to General Terms & Conditions is to be understood as meaning these General Terms & Conditions and the Country Appendix concerned in each case).

The General Terms & Conditions, together with the Specific Terms & Conditions that, when in order, are established (which could include a Set of Technical Specifications, a Set of Particular Conditions, as well as on occasions, the SUPPLIER's bid approved by GAS NATURAL FENOSA) will constitute the contractual documentation that is applicable to the Contract/Order.

Should there be any discrepancy among the documents that constitute the contractual documentation, the order of prevalence will be as follows:

1. Specific Terms & Conditions, the order of prevalence within these documents being as follows, unless specified to the contrary:
 - a) Set of Technical Specifications and Set of Particular Conditions, with their respective appendices
 - b) The SUPPLIER's bid approved by GAS NATURAL FENOSA
2. General Terms & Conditions. In the event of discrepancy, the provisions contained in the Country Appendix shall take precedence over the General Terms & Conditions.

2. TERMINOLOGY

The following terms, amongst others, are used in the contractual documentation; with the meanings as indicated below:

Provisional Acceptance Certificate: The document signed by GAS NATURAL FENOSA and the SUPPLIER, when the works and/or services performed are handed over after verification of compliance with the purpose of the Contract/Order; it might contain comments, if necessary, referring to the need for the Supplier to make rectifications.

Final Acceptance Certificate: The document indicating the completion of the works.

Country Appendix: The document that is included as part of these General Terms & Conditions and that contains the particularities inherent to each country, applicable to the Contract/Order.

Specific Terms & Conditions: Detailed information about the characteristics and qualities of the works and/or services and the conditions in which they are to be carried out, or those of the materials or materials with assembly or mounting required, which are the purpose of this contract. They may include all or some of the following documents: Set of Technical Specifications, Set of Particular Conditions, and/or the SUPPLIER's bid, reviewed and approved by GAS NATURAL FENOSA.

Contractor: The company belonging to GRUPO GAS NATURAL FENOSA that contracts the purchase of materials or equipment and/or the execution of works or the provision of a service.

Contract: The document that contains the agreement between the SUPPLIER and GAS NATURAL FENOSA with regard to the purchasing of materials and/or items of equipment and/or to the carrying out of works or the provision of a service. When the document contains the handwritten signatures of the contractors or their advanced digital signature valid according to the legislation in each country, it is called a Contract. All Contracts entail one or more orders.

Contractual Documentation: The set of documents that are incorporated into the Contract/Order, comprising the General Terms & Conditions and the Specific Terms & Conditions, which establish the technical, commercial, legal or financial parameters, amongst others, that will govern the contracting.

Guarantee: The set of declarations that the SUPPLIER will hand over to GAS NATURAL FENOSA, concerning the characteristics, qualities and conditions under which the works will be performed, the services will be provided or the materials will be purchased, when they are the subject of the contracting.

Bid: A binding document submitted by the SUPPLIER in response to an invitation to bid issued by GAS NATURAL FENOSA, which contains the SUPPLIER's proposal to carry out the works, to provide the services or to provide the materials or equipment requested by GAS NATURAL FENOSA. If the bid is accepted by GAS NATURAL FENOSA by the placing of an order, both parties will be bound by its content.

Parties: This term is to be understood as referring jointly to both GAS NATURAL FENOSA and to the SUPPLIER.

Order: A document issued by GAS NATURAL FENOSA for the purchase of materials or equipment and/or for works to be carried out or a service to be provided. The Parties will be bound by the orders as long as i) they have been issued by GAS NATURAL FENOSA in acceptance of a bid from the SUPPLIER; or ii) they have been accepted by the SUPPLIER, expressly or tacitly, after they have been issued by GAS NATURAL FENOSA; or iii) they have been issued under a Contract.

Guarantee Period: The period during which the SUPPLIER will guarantee that the product or the works will function correctly, or that the product or works concerned will be free of defects and in a perfect state of utilization.

Invitation to Bid: A document in which GAS NATURAL FENOSA asks for bids to carry out works, provide services or supply materials. By merely submitting a bid, the SUPPLIER accepts the Specific Terms & Conditions included in the invitation to bid (Set of Technical Specifications and/or Set of Particular Conditions) and the General Terms & Conditions applicable.

Set of Technical Specifications: Detailed technical information about the characteristics, qualities and conditions for carrying out the works, provision of services or purchasing the materials that are the subject of the contracting.

Set of Particular Conditions: Detailed information about the specific terms and conditions of an economic, legal or commercial nature, under which the works must be carried out, provision of services or purchasing the materials that are the subject of the contracting.

GAS NATURAL FENOSA Supplier Portal: The electronic communications channel with the SUPPLIER, through which the SUPPLIER will be able to operate with GAS NATURAL FENOSA.

Supplier: The individual or legal entity or group thereof, with which GAS NATURAL FENOSA contracts the purchase of materials or equipment and/or the performance of works or the provision of a service.

Subcontracting: The contracting of third parties, individuals, legal entities or groups thereof, by the SUPPLIER, so that the former participate partially in the fulfilment or performance of the Contract/Order signed with GAS NATURAL FENOSA, without this either having any detriment whatsoever on the legal relationship between the Parties that enter into the Contract/Order relationship, or bringing about a legal relationship with GAS NATURAL FENOSA or any direct obligation of the latter with respect to such third parties.

3. WORK ORGANISATION

3.1 Personnel answerability

The SUPPLIER shall keep all his workers under his management and control and shall name a person in charge (the Manager) to represent him; this person will be responsible for the personnel who do the work. GAS NATURAL FENOSA may ask for the Manager to be replaced if the former believes that the latter is not carrying out his functions properly, in which case GAS NATURAL FENOSA will require the SUPPLIER to replace him within one week.

The SUPPLIER's personnel will be exclusively answerable to the Manager in every respect. One of the functions of the SUPPLIER's Manager will be to give direct orders to the personnel in the latter's employment, and he will be responsible for the good quality of the work or services and for complying with and enforcing compliance with all the occupational risk prevention standards affecting the personnel answerable to him.

3.2 Working day and timetable

The working day and its timetable distribution shall be adapted to the needs arising from performing the object of the Contract/Order, its specific regulation being the responsibility of the SUPPLIER.

If there should happen to be several suppliers and contractors in the place where the Contract/Order is being carried out, they shall all come to an agreement with a view to coordinating and establishing their work timetables. With a view to achieving this, GAS NATURAL FENOSA will appoint a coordinator to facilitate and maintain these agreements and who will act as arbiter if there are any discrepancies.

The same will apply if in the place where the Contract/Order is being carried out or nearby, other companies happen to be carrying out activities inherent to their corporate object with which GAS NATURAL FENOSA has a business relationship not arising from the renting of works or services, or the contractors or subcontractors of these companies.

3.3 Representation

GAS NATURAL FENOSA will appoint a representative who will be in contact with the SUPPLIER's manager, with a view to dealing with any problems that arise while the contract is in force.

4. SYSTEM FOR SUPPLIER ASSESSMENT AND PRODUCT APPROVAL

Every SUPPLIER must be qualified as "suitable" in the GAS NATURAL FENOSA assessment process before he begins to supply the services, goods and/or materials that are the subject of the Contract/Order, and must hold that qualification throughout its validity. Furthermore, for certain types of contracting every SUPPLIER shall obtain before contracting, the approvals that are required from him (product, process, manufacture, etc.) where relevant, and shall keep them throughout the validity of the Contract/Order, in which case the specific requirements will be made known to the SUPPLIER by means of the Specific Terms & Conditions in the Contract/Order. The SUPPLIER is required to formally inform GAS NATURAL FENOSA about any variation that affects the assessment or approval requirements, even if they have arisen during the period that the Contract/Order is in force.

The assessment and approval processes referred to are described in greater detail in the "Terms & Conditions for the assessment and approval of Supplier and product", the current version of which has been validated before a notary and is available at the following website:

www.proveedores.gasnaturalfenosa.com

The SUPPLIER is required to respect the rights and comply with the obligations arising from the "Terms & Conditions for the assessment and approval of Supplier and product".

5. DELIVERY AND PROVISIONAL RECEPTION OF WORKS, MATERIALS AND/OR EQUIPMENT, TRANSFER OF OWNERSHIP AND RISKS

The work, materials and/or equipment that are the subject of the Contract/Order shall be delivered on the date and place and under the terms and conditions agreed therein. The SUPPLIER accepts the obligation to comply with the final delivery date and the partial delivery dates established in the Contract/Order. The SUPPLIER shall make every effort and shall put all the available resources to make up for any delay in the delivery, even when such delay is justified.

The Parties may freely agree to bring forward the delivery date, if both of them expressly agree to do so.

5.1 Delivery and provisional reception of materials and/or equipment

To all effects, the SUPPLIER expressly accepts complete responsibility for all products, materials or equipment, for their transport to the delivery points and their unloading, whether this is carried out using his own resources or done by third parties.

The SUPPLIER will send a notification to the address that appears in the Contract/Order, 24 hours in advance, indicating the quantities and the material to be delivered and confirming the exact destination, as well as specifying the delivery date and time. Non-fulfilment of this requirement will entitle GAS NATURAL FENOSA to not accept the goods, in which case the SUPPLIER will be responsible for paying any expenses that are incurred in transporting the goods. The SUPPLIER will be notified in writing sufficiently well in advance about any modification to the date or the delivery point.

Packaging shall comply with the Specific Terms & Conditions or, in their absence, with the requirements needed by the articles concerned, in such a way that they do not deteriorate when they are being transported and handled and so that they can be identified (order number, number of packages, quantities, weight, type of article and manufacturing batches, and the expiry date, where relevant).

Goods must be delivered accompanied with delivery notes that shall be presented in duplicate; these notes shall contain the order number, number of packages or packets, the articles delivered, the amounts of each article or piece, the expiry date, where relevant, as well as the technical documentation that is essential for their reception.

A record of any relevant observation shall be written on the delivery note, mainly:

- If the material or equipment is awaiting inspections or tests that cannot be conducted at the time of their physical reception.
- If there are any deficiencies identified at first glance that have to be rectified by the SUPPLIER.

To all effects, materials will not be regarded as delivered until they are made available to GAS NATURAL FENOSA with the deficiencies rectified.

GAS NATURAL FENOSA may postpone the delivery of the materials and/or equipment, without prejudice that the agreed delivery date is considered fulfilled by the SUPPLIER. The prices agreed to in the Contract/Order include the storage and insurance expenses for the month after the originally agreed delivery date, for which the SUPPLIER is responsible. If the delivery date has to be delayed for a longer period of time, the Parties will reach a mutual agreement over any compensation to be applied.

Provisional Acceptance of the materials and/or equipment will be effective once the delivery note has been signed, unless any defects are observed or inspections/tests are outstanding, in

which case it will be considered that acceptance has taken place when the defects have been rectified and/or the inspections/tests have been conducted to the satisfaction of GAS NATURAL FENOSA, all of this without prejudice of the established Guarantee. Materials that have to be assembled, erected or mounted are exceptions to the aforementioned stipulation. In such cases, ownership will be transferred after the materials have been installed and once the required commissioning tests& trials have been passed and a record has been made of this fact.

Notwithstanding all the aforementioned, the SUPPLIER authorises GAS NATURAL FENOSA to take possession of the materials and/or equipment, either all or part thereof, as from the moment they enter the facilities or works belonging to GAS NATURAL FENOSA, and to use them for whatever purpose they might be needed.

5.2 Delivery and provisional reception of works and/or services

The SUPPLIER shall inform sufficiently well in advance about the date on which he plans to complete the works or service, as well as the completion date for the intermediate milestones established, so that the day and time on which provisional reception will take place can be determined.

Provisional reception will take place once the required tests/trials have been satisfactorily conducted and it has been checked that the works or service are in a good state. If this is the case, GAS NATURAL FENOSA will issue the Provisional Reception Certificate, which must be signed by both Parties.

If the results did not happen to be satisfactory, GAS NATURAL FENOSA would issue a certificate making reference to the defects found and stating the deadline granted for them to be rectified by the SUPPLIER. Once that deadline had elapsed, if the tests / trials prove to be satisfactory the Provisional Reception Certificate will be issued; should they not be satisfactory however, GAS NATURAL FENOSA will either grant a new deadline for rectification or eventually decide to terminate the Contract/Order.

Whatever the case may be, the penalties due will be imposed for the delay in delivery since the agreed delivery date, without it being possible for the extraordinary deadlines for rectifying defects to be regarded as extensions to or deferments of the agreed delivery deadline.

Ownership, together with the risks inherent to ownership and possession, including the risks of loss and damage, will be understood as transferred to GAS NATURAL FENOSA as soon as the Provisional Reception Certificate is signed, without this affecting the Guarantee established in the following clause.

6. GUARANTEE FOR THE WORKS, SERVICE AND OR SUPPLY AND FINAL RECEPTION

The SUPPLIER guarantees to GAS NATURAL FENOSA (hereinafter "the Guarantee"), , whichever applies:

- i. that the materials and equipment, together with their components, materials or systems, are free of defects, faults (hidden or apparent) or flaws affecting the design, engineering, manufacture, paintwork, supply, installation, operation, capacity and performance;
- ii. that the material or equipment complies with the specifications, drawings and descriptions stipulated in the contractual documentation, except with regard to the points declared as exceptions that have been expressly approved by GAS NATURAL FENOSA;
- iii. that the title of full ownership over the material or equipment and all the components and materials that form part thereof is transferred, as long as they are new and completely free of all charges, burdens and third party rights;
- iv. that the documentation required in the Specific Terms & Conditions is reliable, complete and accurately and exactly reflects the material or equipment supplied;
- v. that the works and services have been carried out competently, carefully and diligently in compliance with the applicable drawings and specifications, and in conformity with the uses and good codes of practice in the sector, that they are in a good state of repair and that they will serve for the purpose and use for which they were designed.

Unless other arrangements have been made in the Specific Terms & Conditions, the Guarantee will be in force for a period ("the Guarantee Period") of twenty-four (24) months as from the moment of signing the Provisional Reception Certificate or the delivery note.

If any imperfection, defect, fault (hidden or apparent) or flaw appears during the Guarantee Period, the SUPPLIER undertakes to repair, replace or in any other way correct or compensate for any such imperfections, defects, faults or flaws at his own cost and as soon as possible, even if such repairs or replacements have to be extended or carried out beyond the expiry date of the Guarantee Period. However, it will not be incumbent upon the SUPPLIER to repair, replace or correct such faults or imperfections if the latter can accredit that they were due to force majeure or improper use by GAS NATURAL FENOSA, unless such use is a result of following the instructions or applying the manuals supplied by the SUPPLIER.

If they are defects that affect a series, the SUPPLIER shall replace all materials or equipment supplied, without waiting for the defect to appear in each one of them.

If the SUPPLIER does not start or does not finish the work required to deal with the imperfection, defect, fault or flaw concerned, within the stipulated period or, if there is no deadline established, within a reasonable period of time, GAS NATURAL FENOSA could carry out the work at the SUPPLIER's own risk, and the SUPPLIER will have to reimburse GAS NATURAL FENOSA for all expenses that the latter has paid out when performing the work or causing it to be performed. Whatever the case may be, the extension to the Guarantee Period referred to in the next paragraph will apply.

The Guarantee Period will automatically be extended for a further period that will be as long as the period between notification of the existence of the quality imperfection, defect, fault or flaw, and the moment that this has been rectified to the entire satisfaction of GAS NATURAL FENOSA. Furthermore, the works, components, materials, equipment or systems that have to be reconstructed, repaired or replaced shall be guaranteed for a further period of twenty-four (24) months as from the date they are correctly repaired or replaced, whichever is in order.

Furthermore, should it be intended that the works, service or supply that is the subject of the Contract/Order is to become part of a larger facility, the Guarantee Period will automatically be extended until six (6) months have elapsed as from the date on which the main facility has been put into operation.

As soon as the Guarantee Period and the respective extensions, where relevant, have elapsed, and all the imperfections, defects, faults or flaws found during that period have been rectified to the complete satisfaction of GAS NATURAL FENOSA, the Parties will sign the Provisional Reception Certificate, without this affecting the SUPPLIER's continuing responsibility by warranty, for hidden defects or for any other responsibility that is incumbent upon him according to the applicable legislation.

7. SUBCONTRACTING

The SUPPLIER shall not subcontract any of the works, services and supplies without receiving express, prior written authorisation to do so from GAS NATURAL FENOSA, under the Specific Terms and Conditions that are established.

The SUPPLIER shall request all his subcontractors to keep up to date and make available to GAS NATURAL FENOSA, all the documentation that might be required from the SUPPLIER as established in the Specific Terms & Conditions.

In particular, the SUPPLIER shall apply to the employment authorities for the certificates showing that the subcontractor has fully paid all his social security charges for the workers, as well as his taxation obligations. The SUPPLIER shall keep all these documents in safekeeping.

Subcontracting, if there is any, will in no way be regarded as establishing a contractual relationship of any kind with GAS NATURAL FENOSA, and neither will it exempt the SUPPLIER from any of his responsibilities or obligations. Furthermore, the SUPPLIER will be held responsible by GAS NATURAL FENOSA for any acts, faults or negligence committed by any of his subcontractors, their agents and workers.

The SUPPLIER will require his subcontractors to comply with the General and Specific Terms & Conditions that apply to him, especially the obligations that are envisaged in Clauses 10 and 12 of these Overall General Terms & Conditions.

8. PENALTIES

Any unjustified delay or non-fulfilment affecting the work contracted or the quality parameters or targets required, as well as any non-fulfilment of the SUPPLIER's obligations in matters concerning Occupational Risk Prevention, will give GAS NATURAL FENOSA the right to apply

the penalties that have been established in the contractual documentation, which will not be regarded as compensatory.

If no other penalties have been specifically established, the penalty for a delay in performing the work or delivering the materials/equipment on the scheduled completion date, will be 0.5% of the value of the Contract/Order for every working day of delay; while the penalty for non-compliance with other contractual obligations will be 5% of the economic value for each one of the certifications affected, and this would be added to the aforementioned penalty. As a whole, the penalties cannot exceed 15% of the total value of the Contract/Order. If the calculation of the applicable penalties were to exceed that limit, GAS NATURAL FENOSA would be entitled not only to apply the 15% penalty, but also to decide whether to terminate the Contract/Order owing to non-compliance, or to carry on requiring its fulfilment. In either of the above-mentioned cases, GAS NATURAL FENOSA reserves the right to request compensation for the damage caused.

9. ECONOMIC MODEL

9.1 Prices

The prices applicable to the Contract/Order will be those established in the contractual documentation. The prices are invariably understood to be fixed throughout the duration of the Contract/Order, unless a price review system is established in the Specific Terms & Conditions.

In the event of a price revision, the prices resulting from the revision process will not apply to the services, works or purchase of materials that have taken place before GAS NATURAL FENOSA has given in writing its express approval to such price revision.

9.2 Payment terms

Unless specified to the contrary in the Specific Terms & Conditions or in the Order itself, the deadlines and methods of payment that are established in the Country Appendix concerned will apply.

9.3 Expenses and taxes

Unless for legal imperative in the applicable regulations, all the expenses, taxes, burdens, rates and fees of any kind that might arise as a result of fulfilling the terms and conditions of the Contract/Order shall be paid by the SUPPLIER.

9.4 Transfer of rights and credits

The SUPPLIER shall not transfer or otherwise hand over to any third parties, the rights and credits of an economic, commercial or financial nature that arise from the Contract/Order, and neither may he carry out any operation that implies a waiving of the aforementioned rights and credits by any means, total or partial, like title, burden, commitment and/or transaction, unless he has received prior written authorisation to do so from GAS NATURAL FENOSA.

GAS NATURAL FENOSA may, after having notified the SUPPLIER, transfer its rights and obligations arising from the Contract/Order to any company belonging to its group of companies.

10. OCCUPATIONAL HEALTH & SAFETY

In addition to the occupational health & safety provisions that are established in this section, those established in the Country Appendix concerned will also apply.

10.1 General occupational health & safety conditions

The SUPPLIER will be responsible for his personnel and his subcontractors (including self-employed workers), as applicable, to comply with the following provisions:

- Legal provisions in force in matters concerning occupational risk prevention at the workplace where the GAS NATURAL FENOSA's contracting company has its premises, while the contracted work is being carried out.
- The health & safety policy issued by GAS NATURAL FENOSA via its website, as well as the Specific Terms & Conditions that apply to the specific activity (performing works, providing services, purchasing, assembling & erecting and supplying materials that could cause the SUPPLIER'S personnel and/or machinery accessing the facilities belonging to GAS NATURAL FENOSA).
- When preparing the risk assessment, specific safety procedures for the work to be carried out and planning of the preventive measures associated with these, the SUPPLIER shall take into account the information concerning risks, preventive measures and emergency measures that he receives from GAS NATURAL FENOSA; he shall likewise take into account any other documentation associated with the work to be done.

Before the work begins, the SUPPLIER shall inform his workers about:

- The specific risks involved in his activities, evaluated beforehand, and the preventive and protective measures.
- The risks, preventive, protective and emergency measures concerning the facilities where he is going to carry out the activities.
- The risks arising from business activities concurring at the same work centre, if in order.
- The contents of his Risk Assessment or Health & Safety Plan, which include the applicable safety information and instructions, as delivered by GAS NATURAL FENOSA.

GAS NATURAL FENOSA will inform the SUPPLIER about the risks inherent to the work centre that could affect the activities carried out by his workers, the measures concerning the prevention of such risks and the emergency measures that have to be applied.

Depending on the degree of danger involved in the activities to be performed at the facility, the number of workers from the companies who will be present and the duration of concurrent activities, the means for co-ordination of the activities shall be as established in the applicable regulations.

GAS NATURAL FENOSA will appoint a spokesperson to deal with whatever occupational safety and risk prevention problems might arise when carrying out any works or providing any service.

10. 2 Accidents and incidents

10.2.1 Accidents

Whenever any worker suffers an accident, either the SUPPLIER'S or any of his subcontractor's, will immediately notify the occurrence to GAS NATURAL FENOSA's counterparts. The SUPPLIER shall conduct an investigation into all his accidents and send the investigation report to GAS NATURAL FENOSA.

The SUPPLIER shall send statistical data pursuant to accidents at his company and its subcontractors, whenever such information is required by GAS NATURAL FENOSA.

10.2.2 Incidents

Any occurrence that has caused any type of significant material damage or that could potentially have caused material damage or injury to people is considered to be an incident, and its notification is advisable for the purpose of investigation and to prevent it happening again and for reviewing the control measures envisaged.

When an incident occurs, the Prevention Officer or the Manager of the SUPPLIER's work shall immediately inform GAS NATURAL FENOSA and send the report to GAS NATURAL FENOSA.

10.3 Other conditions

- The SUPPLIER shall ensure that the workers who are going to carry out the work that is the subject of the Contract/Order wear proper uniforms, and that they shall keep fixed to their clothing their corresponding personal identification and that of the company to which they belong.
- The SUPPLIER will bear the extra cost resulting from the work being stopped in the event of an accident, incident or failure to fulfil any health and safety aspect, that has been generated by his workers, subcontractors (including self-employed persons), as GAS NATURAL FENOSA might consider it necessary.
- GAS NATURAL FENOSA shall never be held responsible for non-fulfilment of the performance deadlines caused by deviations in complying with the health & safety regulations; such responsibility shall be accepted by the infringing company.

All the documentation required by GAS NATURAL FENOSA concerning the coordination of business activities, shall be sent by the SUPPLIER through the channels and tools established by GAS NATURAL FENOSA.

10.4 Non-compliance

When either the SUPPLIER or one of his subcontractor's is affected by a non-compliance with the provisions in matters concerning occupational risk prevention or the works health & safety plan, GAS NATURAL FENOSA reserves the right to take one or more of the following safety measures, depending on the extent of the non-compliance:

- Reprimand verbally or in writing.
- Partially or completely stop the work until the infringed provision has been rectified.
- Apply the corresponding economic penalties concerned.
- Terminate the Contract/Order, in the event of recurrence or serious non-compliance.

11. ENVIRONMENT

The SUPPLIER is required to strictly comply with the environmental specifications issued by GAS NATURAL FENOSA in the *Specific Terms & Conditions*, as well as with all the environmental legislation and regulations in force on a local, regional, state or international level that apply to his area of activity.

The SUPPLIER undertakes to carry out his activities paying special attention to protecting the environment and to efficiently using the natural resources required, as well as to implement good environmental management.

The SUPPLIER shall inform GAS NATURAL FENOSA as soon as possible about any accidents or incidents that occur while the contract is in force; GAS NATURAL FENOSA may require an exhaustive report about what has taken place.

The SUPPLIER shall pay any fines or penalties imposed for environmental accidents or incidents caused by the personnel he is responsible for, exempting GAS NATURAL FENOSA from any responsibility whatsoever.

GAS NATURAL FENOSA may charge to the SUPPLIER, all the expenses, costs, fines, penalties, claims or compensation resulting from a failure to comply with the environmental requirements.

12. INSURANCE

Without this affecting the responsibilities that might arise from the provisions contained in these General Terms & Conditions, and without this section such liability, the SUPPLIER shall, at his own expense, take out and keep permanently updated throughout the period of validity of the Contract/Order, the insurance policies that are described in the following paragraph. The policies concerned shall be taken out with insurers of renowned prestige, legally

authorised to issue policies in the country where the insurance company is based and under cover terms and conditions that are to the satisfaction of GAS NATURAL FENOSA. It is to be understood that the amounts involved shall never be less than minimum amounts required by the legislation and regulations in force in the country where GAS NATURAL FENOSA CONTRACTOR has its registered offices, and that the taking out of those insurance policies will in no way change any of the compensation obligations established in the Contract/Order.

- a) A general civil liability policy to cover complaints lodged about material damage and/or injury to persons, including aggravating circumstances, and the consequences to third parties as a result of or associated with the tasks that are the subject of the Contract/Order.

The policy shall include, amongst others, the civil liability guarantees for operation; cross liability; subsidiary car insurance; subsidiary liability for subcontracts; professional; employer's liability insurance (subject to a minimum sublimit per victim established in the Specific Terms & Conditions); defence and deposits. The compensation limit shall be at least the limit established in these Specific Terms & Conditions.

- b) Worker's Compensation Insurance or Social Security for all the SUPPLIER's own personnel or those of his subcontractors as legally required while the Contract/Order is valid.
- c) Civil Liability Insurance for Vehicles and Machinery, in compliance with the limits, terms and conditions required by the legislation in force while the Contract/Order is valid.
- d) Any other mandatory contracting policy in accordance with the legislation in force while the Contract/Order is valid.

Apart from the aforementioned insurance policies, GAS NATURAL FENOSA may require the SUPPLIER to take out whatever supplementary policies the former might think necessary to completely cover its interests and liabilities for the Contract/Order. Furthermore, the SUPPLIER may also take out whatever supplementary policies he might think necessary to completely cover his interests.

The SUPPLIER shall request his subcontractors to take out and keep updated the insurance policies indicated above throughout the period that they are performing works or providing services and/or supplying products / materials / equipment to the SUPPLIER, asking them to present the respective insurance certificates proving that the required insurance policies are valid and effective.

All the insurance policies shall include GAS NATURAL FENOSA as an additional insured party exclusively for the tasks that are the subject of the Contract/Order, without the latter losing its status as Third Party in the policy. Furthermore, they shall include waiving rights of recovery against GAS NATURAL FENOSA and the personnel at the latter's service and/or the latter's

insurers, about which the SUPPLIER and his subcontractors are required to inform their insurers.

Before starting the work, the SUPPLIER shall hand over to GAS NATURAL FENOSA a certificate for the insurance policies required and a reliable record, issued by the insurer, of the payment of the respective premiums. The control will remain in force throughout the duration of the Contract/Order. Failure to submit the certificates will entitle GAS NATURAL FENOSA to terminate the Contract/Order due to non-compliance attributable to the SUPPLIER.

The SUPPLIER shall not ask his insurer to cancel, modify or amend the policies taken out, without prior written consent to do so from GAS NATURAL FENOSA, a record of which will have to be included in the policies concerned.

GAS NATURAL FENOSA may ask for the insurer to be changed if the latter does not inspire confidence because his economic and/or financial situation indicates a state of insolvency and/or any other circumstance that casts aspersions on the validity of the cover granted.

With a view to ensuring that the Contract/Order is successfully carried out, any difference that might arise in the payment of compensation, owing to excess and/or deficiency, affecting any of the insurance policies that are taken out shall be paid for by the SUPPLIER.

While the Contract/Order is being executed, the SUPPLIER is required to inform GAS NATURAL FENOSA about any incident that might affect the validity, terms and conditions of the insurance policies, as well as any modification that could amount to a non-compliance with what is established in this clause, undertaking to collaborate with the employees, agents or representatives of GAS NATURAL FENOSA or persons authorised by the latter.

Compliance with what is specified in this clause in no way limits or modifies the SUPPLIER's liabilities where his contractual and legal obligations are concerned.

13. SUPPLIER'S RESPONSIBILITY

The SUPPLIER is exclusively responsible to GAS NATURAL FENOSA for fulfilment of his legal and contractual obligations, as well as for complying with the legal, contractual, taxation and occupational obligations to his employees, contractors and agents.

The SUPPLIER is responsible for having all the copyrights and patents, transfers, permits, licences and authorisations needed to carry out the provisions that are the subject of the Contract/Order.

The SUPPLIER will be answerable to GAS NATURAL FENOSA for any claims / complaints of any kind that might be made against GAS NATURAL FENOSA and any fines / penalties that are imposed on the latter as a result of the SUPPLIER's activities while executing the Contract/Order, including any joint and several liability due to the SUPPLIER'S obligations where salaries, social security and/or taxes are concerned, or for his obligations regarding occupational health and risk prevention, as well as any claims for infringement of copyright or patent rights.

Furthermore, the SUPPLIER will have to reimburse GAS NATURAL FENOSA for all the expenses that the latter has to pay out (including lawyers' and barristers' fees, provision of funds for both, certificates, authorisations, taxes, compensations, legal deposits to appeal, etc.) for its legal defence against administrative procedures, extrajudicial or prejudicial claims and legal actions of any type filed against GAS NATURAL FENOSA, including actions that are filed against the latter by the SUPPLIER's workers or his subcontractors, and the employees, subcontractors and self-employed persons of either, claims from third parties, and any other that might arise from the execution of the Contract/Order by the SUPPLIER.

The parties agree that the preceding requirement to pay the representation and defence fees that the SUPPLIER takes on do not in any way have a bearing upon the choice of professionals by GAS NATURAL FENOSA and neither are they to be interpreted as meaning that the SUPPLIER is subject to the defence mechanisms and resources that GAS NATURAL FENOSA understands as being inherent to its own interests.

The SUPPLIER expressly empowers GAS NATURAL FENOSA to make up for or to retain from its certificates or amounts due to be paid for any item or service, the amounts that the SUPPLIER has to reimburse to GAS NATURAL FENOSA as a result of this clause. Furthermore, the Parties agree that GAS NATURAL FENOSA may use other companies belonging to its company group, to make good any debts owed by or owed to the SUPPLIER for any item, service or for any other reason.

14. ECONOMIC GUARANTEE

GAS NATURAL FENOSA may require the SUPPLIER to deposit an economic guarantee to vouch for:

- i. Compliance with all his contractual obligations while the Contract/Order is in force, including the penalties and compensations that might be required of him;
- ii. The fines and penalties of any type or description that GAS NATURAL FENOSA might impose upon the SUPPLIER for his actions, which include without limitation, any joint and several liability due to the SUPPLIER's obligations regarding salaries, social security and/or taxation, of those incumbent upon him in matters concerning occupational health and risk prevention.
- iii. Any claims made by third parties against GAS NATURAL FENOSA prompted by the SUPPLIER's actions, including any claims made by his employees, agents, advisors and contractors or subcontractors.
- iv. Any legal defence costs incurred by GAS NATURAL FENOSA, for such claims as those referred to in the preceding paragraph.

The Economic Guarantee shall be deposited under the terms and conditions established in the Specific Terms & Conditions. Unless expressly agreed to the contrary, the Economic Guarantee shall be constituted by holding back 10% of the billing amounts issued by the SUPPLIER for

executing the Contract/Order. Such amounts will be held back by GAS NATURAL FENOSA until the final completion of the Contract.

The Economic Guarantee will neither limit nor condition in any way whatsoever the responsibilities required of the SUPPLIER in compliance with the applicable legislation, which will be enforced against the Supplier's own estate or assets, if the Economic Guarantee proves to be insufficient.

15. TERMINATING THE CONTRACT

15.1 Terminating at the request of Gas Natural Fenosa

GAS NATURAL FENOSA may declare the Contract/Order to be immediately terminated prematurely in the event of the SUPPLIER seriously breaching his contractual obligations, or for other reasons attributable to the SUPPLIER. To be precise, the following shall be reasons for terminating the contract:

- a) Finding out that the documents and data that have to be furnished by virtue of these General Terms & Conditions and the applicable Specifications, are inaccurate, have not been provided or that certain facts have been hidden.
- b) Suspension or stoppage of the work or the supplies, except when this is due to accredited force majeure.
- c) Non-compliance with the obligations arising from the assessment and approval procedure for suppliers, the specifications, the quality levels or the delivery deadlines; this includes the serious non-compliances with the approval requirements or those that were not rectified within the established period.
- d) Non-compliance with the regulations in matters concerning occupational risk prevention.
- e) Ignoring or contravening the orders issued by GAS NATURAL FENOSA in relation to the carrying out of work, or not using due diligence in the development and monitoring of work.
- f) Improper use of the procedures, technical or commercial technology owned by GAS NATURAL FENOSA.
- g) If the SUPPLIER ceases to perform the activity.
- h) Transferring or subrogating the contractual obligations and rights, without having received express, prior and written consent to do so from GAS NATURAL FENOSA.
- i) Being involved in any legal transaction, regardless of the way it is used (sale or transfer of stocks or shares, mergers, divisions of companies or any other company operations or any other event, act or legal transaction) which brings about a significant change in the SUPPLIER's shareholding or stockholding or any change in the SUPPLIER's effective

