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	Creation Created by	Revision Purchase Directorate Legal Consultants	Approval Quality and Procedures Department
Date:		Date:	Date:
RECORD OF CHANGES TO THE LAST VERSION			
Ed.	Date	Revised Sections	Reason for Revision

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1.-Object

The object of this Technical Specification is to establish the general requirements that the Contractors must fulfil for the execution of work or provision of services contracted by any company of the EDPR group (further referred to as the "Client") and will form part of any contract entered into with a Contractor.

The scope of this Technical Specification does not include employment contracts made with Temporary Employment Agencies, which shall be object of a specific Technical Specification.

2.-Scope

The addressees of this Technical Specification are the Approved Contractors that provide services to the Client.

The approval of the Contractor is a necessary requirement for procurement and may be obtained either by registering the Contractor in the Client's Suppliers Database or by means of an internal assessment procedure.

These General Conditions are to be attached to the Requests for Proposal placed by the Client, for contracting works and/or services, and they shall be applicable to any subject that is not expressly provided for in the Contract or in the documents that complement it.

Any exception to these General Conditions shall only be applicable and valid if it is previously established in writing and it includes the Client's express agreement.

3.-Methodological Development

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3.1. Bids

The offers must be valid for at least 90 (ninety) days after the end of the period for offers presentation.

If, after receiving the request for proposal, the Contractor decides not to present a proposal, it shall notify the Client, within a maximum of 3 (three) days and it shall return all documents annexed to the said quotation request within the same time period.

The presentation of a proposal by a Contractor to the Client implies, in case of being awarded the Contract, the acceptance of these General Conditions which shall become an integral part of the said Contract. The Client shall not accept any variations to these General Conditions or any other document which shall become an integral part of the Contract.

The Client is not bound to accept any bid or proposal and reserves the right to exclude any bid or proposal.

3.2. Award

The award shall be made by means of a contract (further referred to as the Contract) which can be a written request, a written approval of a quotation, a specific contract or a framework contract, including all the documents that are expressly referred to as an integral part of it.

3.3. Compliance with norms and provisions

The Contractor shall arrange and maintain all the final licences, permits and authorizations required for fulfilling the Contract, which shall include, for example, all building warrants and planning permissions required for the construction works, the transportation permits, approval of the facilities and systems, machinery approval, equipment tests, etc.

The Contractor shall pay the fees, taxes and expenditures that may arise from obtaining and maintaining the licences, permits and/or authorizations referred to above, even when obliged by law to require those on behalf of the Client.

The Contractor shall strictly comply with all laws, orders and rules, which may apply to the operations of the Contractor during the execution of the works or provision of the services included in the scope of the Contract. Furthermore, the Contractor hereby indemnifies and holds harmless the Client and its employees and representatives from any liability arising from non-compliance due to the Contractor's actions or omissions, [save to the extent that non-compliance is caused or contributed to by an act or omission of the Client or its employees].

3.4. Knowledge of the site and complementary documents

For those cases when the execution of the works or the provision of the services is carried out in identified and determined physical areas, it shall be considered that the Contractor has examined the site in order to get to know its conditions.

The Contractor accepts the conditions of said areas and, after the awarding of the Contract, no price increase shall be admitted or any extension of time given to the date for completion of the works, in any case, to correct errors in the works' or services' cost estimate or programme due to the site's conditions.

Furthermore, the Contractor declares that it is aware of the contents of all the documents, plans, specifications and provisions included in the Contract, regarding the performance and/or execution of the contracted work or provision of the contracted service.

3.5. Subcontracting

For works or services to be executed under the Contract, the Contractor is only allowed to subcontract to the companies included in the list of approved sub-contractors and of works or services to be subcontracted approved by the Client, annexing these to the Contract.

Otherwise, the Contractor is not allowed to subcontract, either totally or partially, the execution of the works or the provision of the services that are the object of the Contract without the previous express approval in writing by the Client. In seeking approval of the Client, the Contractor shall inform the Client about the main data and characteristics of the subcontractor, about the technical scope of the works it is supposed to carry out, as well as about the bid made by the subcontractor.

The authorization granted by the Client to the Contractor to subcontract any work related to the Contract or order does not imply the establishment of any bond or contractual relationship between the Client and the subcontractor, and the Contractor shall always be responsible for all the activities of said subcontractors.

The Contractor is obliged to inform its subcontractors about the conditions of the Contract and to send the Client, if it so requires, a copy of the sub-contract signed by both of them including that information.

The Contractor shall always be liable for all actions of its subcontractors, as well as for the obligations taken in the execution of its works, regardless of their type.

The Client shall not be liable to any subcontractor, or its personnel, for any complaint arising from the Contract and the Contractor must provide an express renunciation in writing by the subcontractor to any right to claim from the Client any amount owed by the Contractor to the subcontractor.

3.6. Intellectual property

The Contractor assures the Client that it has the required patents, licences and, generally, all other intellectual property rights required for carrying out the Contract. Otherwise, the Contractor shall be responsible for obtaining the necessary assignments, licences, permits and authorizations required from the owners of any intellectual property right that are required to enable it to perform the Contract.

The Contractor will indemnify and hold the Client free from any liability in relation to any claims that may be presented by third parties regarding the infringement of their intellectual property rights as a result of the execution of the works or the provision of the services under the Contract.

All drawings, Plans and Specifications provided by the Client to the Contractor for carrying out the works, as well as the inventions, patents, utility models and other intellectual property rights that arise or that may arise from any documents provided by the Client to the Contractor for carrying out the Works, shall be considered as belonging to the Client.

The Contractor grants to the Client an irrevocable, non-exclusive, royalty free licence to use, copy and reproduce all drawings, reports, specifications and other documents produced or to be produced by or on behalf of the Contractor in the carrying out of the works and/or services under the Contract which licence shall be freely assignable.

3.7. Brand and image

The Client is the sole holder of the brands *edp renováveis* in all their forms, trade names, logos, corporate signs and/or graphic images.

For the purposes of fulfilling the Contract, the Contractor is allowed to use the brand *edp renováveis* for the material for which it is granted express approval and according to the conditions established in the Contract, in the Manual for Collaborative Companies and the guidelines provided by the Client at any time. The expenses arising out of the use of the brand and image of *edp renováveis* shall be borne by the Contractor.

The use of the corporate symbols and image of the brand *edp renováveis* by the Contractor, for the provision of the contracted services and/or the execution of the contracted works, shall not imply, in any situation, that the Client is the employer of any employee or subcontractor of the Contractor and the Contractor shall free, relieve and indemnify the Client from and against any damages, losses, costs and expenses arising from any claim relating to any assumption that the Client is the employer.

The Contractor shall instruct the employees assigned to provide the contracted services about the conditions for the use of the corporate brand and symbols of the Client.

The Contractor shall be directly responsible for the good image of *edp renováveis*, used for the fulfilment of the Contract, being under the obligation to maintain in good condition all the material displaying the said brand, at its expense, and if necessary to provide the required maintenance.

The Contractor shall indemnify *edp renováveis* for any damage or loss caused to it by non-compliance with the guidelines about the brand and image included in the Contract or provided by the Client.

The Client reserves the right to revoke the authorization granted for the use or change the conditions of the use of its brand, logos and/or any of the corporate symbols which it owns, at any time by means of a simple written communication to the Contractor, and shall be responsible for the reasonable costs incurred by the Contractor as a result of such decision as long as these are reasonably incurred and properly verified.

Unless otherwise agreed, the authorization for the use of the brand *edp renováveis* shall be valid for the duration of the Contract; after its term, the Contractor shall immediately stop using them, providing for their removal and destruction or, if so required, return them to the Client.

In addition to all the above mentioned, if the contracted services are to be supplied by phone, the Contractor shall adapt to the sales [pitch/methodology], communication protocols and customer phone service provided by the Client.

3.8. Quality control, inspections and tests

The Contractor shall carry out the works or services in a good and workmanlike manner and using the skill, care and diligence that may reasonably be expected from a competent and qualified contractor carrying out works or services of similar size and scale to those that are the subject of this Contract and shall comply with all the quality control conditions that the Client has implemented for works and services.

The Client and its representatives are allowed to inspect at any time the execution of the works or services, as well as the worksite or workshops, where it manufactures, assembles or stores the materials or equipment meant to be used for the contracted works or services, with the purpose of inspecting their manufacturing, assembly or storage procedures.

Besides the tests or trials established in the Contract, the Contractor shall carry out all the trials required by the regulations or laws in force or by good practice standards.

All the costs deriving from the inspections and tests carried out and, if applicable, all the repairs that prove to be necessary are to be borne by the Contractor, including the travel expenses of the Client's personnel, in case the tests or inspections need to be repeated for reasons not attributable to the Client.

The approval by the Client of the tests and trials carried out by the Contractor does not exempt the Contractor from any liability.

3.9. Technical management and supervision of the works

The Contractor shall be in charge of the management of the works carried out or the services provided, being solely responsible for these, and without prejudice to any control, supervision or surveillance activities which the Client may choose to carry out.

The Contractor shall inform the Client every two weeks about progress of the work and, in particular, about all incidents related to it, and will report, immediately and in writing, any suspension of the contracted works or contracted services, whether total or partial.

The Client may require, at any time, the documents and data that the Client may consider necessary for obtaining comprehensive information about the execution of the contracted works or the provision of the contracted services. The Contractor shall provide these documents in paper and digital formats and according to the layout required by the Client for each case.

The Contractor shall provide to the Client the daily work reports, signed by the designated Person in Charge, including all the information and using the supports and formats required by the Client at any time (Work Order, execution date, professional category etc.) and it shall be responsible for providing accurate and truthful information.

3.10. Orders for changes

The Client is allowed to propose, at its discretion, all changes in terms of the form, quality or quantity of the works or the services, which it deems necessary.

In turn, the Contractor is allowed to propose any variation in the scope of the works, which may be necessary for the good performance of the works, and this must be approved by the Client in writing, otherwise, the Contractor may not carry out the said changes.

The changes referred to in the previous sections shall be put in writing by means of the document "Order for Change", which shall include the scope, content, economic valuation and timetable, and shall be approved by both parties. Notwithstanding that, the Client reserves the right to order the execution of the said changes according to the Contractor's prices per hour set forth in the Contract or, if not included there, in the Contractor's Proposal.

Under no circumstance shall the execution of said changes alter the milestones calendar, which shall be strictly complied with by the Contractor, unless otherwise established in the Order for Change.

3.11. Suspension of the works and services

The Client may order the suspension of the works or services, completely or partially, by means of an express suspension order that the Contractor shall be obliged to comply with, in the following cases:

1 If the Contractor is carrying out the works in a defective or inadequate way, or if the works or services are not being executed in accordance with the provisions of the Contract and its annexes.

2 If the means and methods used by the Contractor are not adequate for ensuring the correct provision of the services and/or execution of the works, in accordance with the required safety standards, in order to prevent damage to people and goods.

3 If the means and methods used by the Contractor are not adequate for ensuring that the works or services, are executed in accordance with the quality requirements defined by the Contractor .

4 If the Contractor does not comply with the orders given by any competent authority in relation to the performance of the Contract.

If any of the above circumstances occurs, and following previous and express request by the Client, the works or services must be immediately suspended until the circumstances that gave rise to the suspension are corrected. In any case, all costs arising from that circumstance shall be borne by the Contractor

Notwithstanding that, the deadlines and milestones established in the Contract and its annexes shall not be extended and the Contractor shall continue to be obliged to comply with them.

3.12. Guarantees, securities and liquidated damages

3.12.1. Guarantees

The Contractor warrants to the Client that the works and/or services are correctly performed, in accordance with the provisions of the Contract and with all specifications and plans included in it, or that come to be included afterwards, and with the deadlines defined in them; it warrants as well that the work and services shall be free of defects.

In addition, the Contractor warrants to the Client that the materials, equipment and components provided by it comply with the agreed specifications and the required norms and regulations, are adequate for their purpose or use, have the required quality level and have not been used.

The guarantee period for the contracted works or services shall be that indicated in the Contract; or, if not included there, it shall be eighteen (18) months after the date of the works' provisional acceptance certificate provided to the Client; or it shall be twelve (12) months from the beginning of the operation or normal use of the site/facilities by the Client, whichever occurs first.

During that period, the Contractor shall carry out repairs or replacements of the facilities, equipment or any parts thereof that show any defect, failure or anomaly in terms of design, materials, workforce, manufacture, operation or performance as a result of the works or services not having been performed in accordance with this Contract notified to it by the Client. The Client shall in its discretion decide when repair or replacement is required.

The abovementioned repairs or replacements shall be carried out as soon as possible, by the Contractor, without interfering with the other works, services or the normal activity of the Client or, if that is not possible, with the minimum inconvenience, whether in terms of delays, interference with other works or unavailability of the facility. The Contractor shall bear all costs incurred in order to fulfil this guarantee, such as disassembly, transportation, assembly of equipment or elements and any other costs.

If the Contractor does not, within a reasonable time, diligently comply with the obligations arising from this guarantee, the Client is entitled to, at its discretion, correct said flaws, whether directly or by means of a third party; the costs arising from that shall be borne by the Contractor

. The guarantee period for the works or materials that need to be provided again, replaced or repaired in the abovementioned terms, shall have the same duration as the previous guarantee, starting from the date of their execution, replacement or repair.

3.12.2. Bank guarantee

At the Contract's signature date, the Contractor shall provide the Client with a first-demand bank

guarantee for 10% of the total price of the Contract, in accordance with the template included as Annex 1, as a guarantee for the full compliance with the obligations and liabilities arising from it.

The guarantee shall be issued by a UK financial institution approved by the Client and shall be valid until the deadline of the guarantee period for the contracted works or services.

If, following a variation to the Contract, a contract price increase is agreed, the Contractor shall provide the Client with an additional or replacement guarantee (with the purpose of guaranteeing 10% of the Contract's final price), within 20 days following the date of agreement to the increase.

If, for the duration of the Contract or its guarantee period, the Client makes any claim or claims on such guarantee, the Contractor shall restore the guarantee's total value, under the previous terms and within a maximum period of 15 days following the requirement made by the Client for those purposes.

3.12.3. Liquidated damages

Subject to condition 3.27 of these General Conditions, non-compliance by the Contractor with the execution or delivery deadlines (whether total or partial) as established in the Contract, shall lead, unless otherwise agreed, to liquidated damages of 1% of the Contract's total amount, per week or as otherwise agreed, up to an aggregate maximum of 10% of the said total price being borne by the Contractor and regardless of whether there is one or several delayed instalments.

In case there are defects, anomalies or breakdowns in the facilities, materials or equipment (whatever their cause), both in terms of their manufacture and availability, the Client shall be entitled to apply liquidated damages equal to the amounts referred to above, for each full week that elapses [until the required repair or replacement has been started]. This period shall begin on the date when the Client informs the Contractor of the said breakdown or defect.

If it is not possible to correct the existing defects or anomalies and the equipment's or the contracted items' performance or availability level is below the one guaranteed, the Contractor shall pay to the Client the compensation agreed upon in the Contract.

3.13. Economic conditions

3.13.1. Price and payment terms

The price of the Contract includes all items required to perform the Contract, with no exceptions other than those expressly excluded from it and accepted by the Client.

The prices included in the Contract are final and fixed and cannot be revised for the duration of the Contract, unless expressly agreed otherwise in relation to a variation of the Contract.

Unless otherwise established in the Contract, the maturity date of the invoice issued by the Contractor shall be [90] days starting from the invoice entry date in the Client's Purchase Directorate Register or the invoice entry date of any re-submitted invoice as referred to below. Without prejudice to the above-mentioned, the Client reserves the right to return the invoice to the Contractor if it omits any of the data that is referred to in section 3.13.2 of these General Conditions that is legally required or that is necessary for tax purposes, or in case the works or services provided are not compliant. This return shall render invalid the previously registered entry date of the invoice.

The payment of the invoice shall be made by means of a bank transfer on the 5th or 20th day of the month following the maturity date of the invoice. In the event that the Client fails to make payment of such invoice by such 20th day, the Client shall be liable to the Contractor for interest at [2]% above the Royal Bank of Scotland plc base rate from time to time until payment. [If the Client fails to pay the Contractor in full subject to any notice referred to below, by such 20th day of the month, and such failure continues for 7 days after the Contractor has given to the Client written notice of his intention to suspend the performance of his obligations under the Contract and the ground or grounds on which it is intended to suspend performance, the Contractor may suspend such performance until payment in full occurs.

Notwithstanding the foregoing, not later than 5 days before the final date for payment the Client may give a written notice to the Contractor which shall specify any amount proposed to be withheld and/or deducted from the amount due in terms of the invoice, the ground or grounds for such withholding and/or deduction and the amount of withholding and or deduction attributable to each ground. Such notice shall also constitute written notice to the Contractor specifying the amount of the payment proposed to be made, to what the amount of the payment relates and the basis on which the amount was calculated. For the avoidance of doubt, the Client shall be entitled to serve just one notice on the Contractor in terms of this clause.

In any case, all payments made before the provisional acceptance or handover of the works shall be considered as payments to account and shall not, at any time, imply any acceptance by the Client of all or any part of the works or services.

3.13.2. Structure of the invoices

The invoices shall be issued within the established deadlines or in compliance with the milestones that the Parties expressly agree upon in the Contract, and shall be sent in duplicate to [the Management of the Business Unit] of the Client which requested the contracted services and/or works.

The invoices, like the construction certificates, shall include the document number (Contract, Request, Quotation Approval or Execution Order) and its structure shall reflect the breakdown of the costs of the contracted services and/or work.

For proforma and/or commercial invoices to be accepted, the Contractor must provide to the Client the daily work report, construction certificate or any document required at any given time, duly filled in.

3.14. Transfer of ownership and risk

Unless otherwise provided for in the Contract, the ownership of the works, facilities, equipment and/or materials supplied by the Contractor shall be transferred to the Client, free from charges

or encumbrances, at the time of their payment or when these are delivered at the Client's premises, or at the execution site of the contracted works or services, whichever is earlier, and without prejudice to the Client's right to refuse to accept those works, facilities, equipment and/or materials for any reason.

Regardless of the date of the ownership transfer of the works, facilities, equipment or materials, the transfer to the Client of all the risks associated to those, with no exception, shall be in effect from the [date of delivery or] / [provisional acceptance of] the works.

3.15. Delivery conditions

The delivery of the materials shall take place at the time and place agreed upon in the Contract, under DDP terms as per Incoterms 2000. **3.16. Organization of the human and material resources**

The Contractor is responsible for the provision of all personnel required to perform the Contract.

The Contractor shall have the contracted works executed and/or services provided by personnel that have the required training, experience or qualifications for the proper execution of the contracted services or works; it shall provide a professional history of said employees upon request by the Client.

The Contractor shall inform the Client about any changes in the personnel assigned to the performance of the Contract, as well as about any other circumstance that may affect completion of the Contract.

The Contractor shall be exclusively in charge of work organization, task assignment and employees' control, as well as of any other general activity related to the management of the contracted services; and it shall assign one person to be in charge of the personnel technical organization and management, who shall be responsible for service development as well as for the relationship with the Client.

The Client may require removal of any personnel engaged in performing the Contract at its discretion.

When the Contractor performs the Contract in whole or in part at the Client's or a third party's worksites, the Contractor's employees shall leave the facilities and items used clean and in good order; this is to be done immediately after completion of the work corresponding to each activity or location or on a daily basis for work carried out during several days.

The Contractor shall collaborate with the other companies, personnel or entities which the Client may assign for the performance of other tasks in the same worksite. This collaboration shall not imply, under any circumstance, a price change or a revision of the completion deadlines provided for in the Contract. Without prejudice to the foregoing, the Contractor shall comply with its obligations under the Construction (Design and Management) Regulations 2007 ("CDM Regulations") to the extent to they apply to the works or services under the Contract with regard to interface and liaison between and among contractors.

The Contractor shall provide all documents referring to its personnel, the company and health and safety, specified in Annex 5. The Contractor shall also report to the Client any entrants and leavers from among the employees assigned for the provision of the services and/or the execution of the works, as well as other changes that may affect the normal execution of the contract, attaching all documents that justify said changes.

The personnel of the Contractor and its subcontractors shall submit to the identification, site safety and security rules defined by the Client.

In case the work is carried out at the Client's facilities and, as a result of its duration or nature, number of assigned workers or regulatory demands, it is necessary to install toilets, showers, changing facilities, storage areas for combustible materials, small-size spare parts, tools and others, the Contractor shall provide for that at its costs on the site made available by the Client for those purposes.

The Contractor shall provide to its employees the tools, utensils, resources, safety equipment and, in general, all the material required for the execution of the contracted works and services, bearing all costs related to their purchase, maintenance and replacement. In exceptional cases, the Client may provide the Contractor with equipment required to perform the Contract, subject to the price and the other conditions included in the Contract, for that purpose.

3.17. Employment and social obligations. Risk prevention

3.17.1. Employment and social obligations

The conditions of employment and disciplinary rules of the Contractor's employees are its sole responsibility, and it shall be responsible for managing and directing its own employees and complying with its employment obligations, according to all applicable laws and regulations. In no circumstances will the Client have any responsibility for the acts or omissions of any employees, contractors or agents used by the Contractor in performing the Contract and no employment relationship.

The Contractor shall hold the Client harmless from the consequences it may suffer resulting from any action, claim or proceedings arising as a result of non-compliance with any employment obligation. The Client may set off any costs, losses etc. suffered or incurred or that it reasonably estimates it may suffer or incur under this clause 13.17 against any accrued amount due to the Contractor.

3.17.2. Health and Safety

The Contractor shall adopt all measures required to comply with the rules in force in terms of occupational risk prevention, as well as the Occupational Risk Prevention Manual and Health and Safety Manual of the EDPR Group, according to what is in force from time to time. As a consequence of the above, the Contractor undertakes to use and provide for, under its responsibility, among others, the necessary means for risk assessment, preventive actions planning, training and information about risks, emergency procedures and periodic control of the health conditions of its employees. Without prejudice to the foregoing, the Contractor shall comply with its obligations under the CDM Regulations as a contractor and/or designer and, if the works constitute a "notifiable" project for the purposes of the CDM Regulations shall act as principal contractor in relation to the works if the Contract states that it is to do so or shall otherwise provide such information to the principal contractor and CDM Co-ordinator as may be necessary. The Contractor warrants that it has the necessary competence and resources to perform the works or services in terms of the Contract.

The Contractor is responsible for the health and safety of the all employees, both its own and those of others, hired by means of Temporary Employment Agencies or its Subcontractors and shall comply with all of its obligations under the CDM Regulations and all other relevant health and safety legislation.

The Contractor shall provide evidence to the Client, according to the contractual terms or whenever requested to do so, of the following points:

- That the Contractor, when carrying out its activities in a worksite belonging to the Client, has

taken into account the information received from the Client regarding occupational risks identified at the worksite, both during its assessment of the activity risk and its planning of preventive actions. Similarly, for the work or services considered as the Client's own activities, it shall provide evidence in writing, prior to commencing the activities, that it has assessed the risks and planned its health and safety actions.

- That, prior to the commencement of the activity, the Contractor has provided to its workers adequate training about the risks inherent in the work that they shall perform and about the health and safety measures regarding that work.

- That its workers have been informed about the specific work to be performed, about the work programme and risks, both the general risks of the activity and risks of specific phases, about the health and safety measures to be adopted and about the protection equipment to be used, both personal and collective, prior to the beginning of the service provision. In addition,

they shall be informed about the measures to adopt in emergency situations and about the system of surveillance or control of the execution of the contracted works.

When the Contractor shares the same worksite with another company or several, it shall comply with the duties of co-operation and liaison contained in the CDM Regulations, in order to ensure that the preventive measures applied are adequate to the existing risks.

Whenever there is an accident in the execution of the works, in addition to complying with its obligations under the Reporting Injuries Diseases and Dangerous Occurrences Regulations 1995 ("RIDDOR") the Contractor shall report it to the Client, under the terms of the Technical Specification TS/103 "Reporting of accidents, events and others by the Contractor" complying with its provisions in terms of reporting and inquiry .

The Client shall supervise the application of the health and safety rules and requirements, and that shall not exonerate the Contractor from its responsibility for complying with them.

Without prejudice to the responsibilities taken by the Contractor, if the Client notices any non-compliance with rules referring to health and safety , it shall report that fact to the Contractor so that it immediately corrects the flaws identified; if the required measures are not immediately taken by the Contractor to effectively solve the problem, the Client reserves the right to suspend the work, and hold the Contractor responsible for the economic effects of such suspension; and this without prejudice to being entitled to resolve the Contract, if the non-compliance circumstances are considered a serious enough reason for that, at the Client's own discretion.

3.18. Tax obligations

[The Contractor declares that it has no pending tax obligations and agrees to comply with them according to the law for the duration of the Contract, declaring also to be able to provide evidence of that by means of a certificate issued by HMRC or any other appropriate tax authority in the 12 (twelve) months prior to the payment of each invoice.

In case the Contractor does not comply with any of its tax obligations, the Client shall be entitled to withhold the payment of any pending amounts, up to an amount that equals the total liability that it reasonably estimates to arise. If the Construction Industry Scheme applies to the Contractor, the Contractor shall comply with the requirements thereof.

3.19. Environmental protection

The Contractor shall adopt all necessary measures to ensure strict compliance with environmental regulations.

All maintenance and replacement equipment, temporary installations and surplus materials, as well as garbage, debris, packaging, waste and in general all types of waste shall be removed and managed by the Contractor, or by a duly authorized company paid by the Contractor if the type of waste so requires, as soon as the relevant activities are finished, in a safe and non-contaminating way, leaving the area completely clean and free.

The Contractor shall immediately inform the Client about any environmental incident that occurs during its performance of the Contract, providing a written report describing its scope and causes.

The Contractor shall be responsible for any damage caused to the environment and/or the Client and for any penalty, sentence or complaint that may arise due to non-compliance with its obligations as far as the environment is concerned.

3.20. Personal data protection

If the Contractor requires access to computer files that contain personal data, which are owned by the Client and for which it is responsible, the Contractor shall comply at all times with the provisions of the Data Protection Act 1998 ("DPA"). The Contractor shall only handle the personal data file(s) according to the instructions provided by the Client, within the scope of the contracted services or works.

The Contractor shall not use the data file(s) for any objective other than to provide the contracted services or works, nor for any purposes different from those specified by the Client; and it shall not share data with any third party, not even for storing data, except in those cases in which it is necessary to subcontract, being duly authorized by the Client, any of the services.

The Contractor and, if applicable, its subcontractors, shall adopt the technical and organizational measures required by the DPADPA, in order to ensure the security of personal data and prevent its alteration, loss, manipulation or accessing without permission.

After finishing the service provision which had created the need for accessing the said files, or if the contract is terminated, the Contractor and/or subcontractor shall destroy or return to the Client all hard copies and all electronic copies, as well as any copies made of the files, which include any personal data.

3.21. Insurance

For the duration of the Contract, the Contractor shall take out and maintain the following insurance policies:

Third Party Liability Insurance that covers possible liabilities incurred by the Contractor and/or its subcontractors, for damages to and losses of human or material resources, including its employees, the Client or third parties, due to or as a result of the

performance of the contracted work; this shall be taken out and kept valid for the duration of the Contract, with an S&P rated A insurance company

This Third Party Liability Insurance shall, under no circumstances, cover for less than what is specified in the TS/101 "Assignment of Civil Liability limits and Policies. All risk, construction and assembly", or in the Side Letter annexed to the Request for Proposal, in cases where the complexity of the work requires specific terms.

This policy shall include post-work [?? Unclear as to what post-work means – could be a reference to maintenance post-completion or Extended Maintenance and Visit Maintenance)civil liability, cross liabilities clause and ownership liability

- Insurance for all Construction "All Risks" (in the case of construction works Contracts), covering material damage and/or losses occurring during the construction or assembly works, including damage to project machinery and equipment. The general indemnity amount shall be, as a minimum, the value of the Contract. Such insurance shall be kept in force from the works beginning date until the provisional acceptance by the Client and include the following

coverage: all construction all risks; removal of debris/wreck, clean up costs; machinery and equipment; natural risks; strikes, mutiny and civil disturbances; terrorism; extended maintenance; pre-existing elements (if any) and adjacent elements (if any). This insurance shall cover the Advance Loss of Profit Insurance (ALOP), when appropriate. [ALOP or Delay in Start Up is more appropriately covered through principal controlled programmes rather than as an extension to a Contractor's programme. The protection is for the Principal and often not disclosed to Contractors.] This Construction All Risks Insurance shall, under no circumstances, cover for less than what is specified in the TS/101 "Assignment of Civil Responsibility limits and Policies. All risks, construction and assembly.

- Transportation Insurance (whether for sea, air or land transportation), covering the losses, delays and/or damage to equipment or materials to be used for the contracted construction work or installation, while in transit. The indemnity amount per journey shall be, as a minimum, the maximum value of the carried goods. The policy shall be valid up to the date in which the Client signs the document attesting the compliance of all materials and equipment included in the contracted works or installation. This insurance shall allow for the Client to contract the Advance Loss of Profit Insurance (ALOP), when appropriate.
- Employer's liability insurance for all employees, under the conditions determined by the laws in force for each case. It is the Contractor's responsibility to ensure that its sub-contractors also comply with these same insurance covers, keeping them valid, for their own employees.
- Compulsory Motor Insurance for Carrying Goods or People and Optional Civil Liability.
- Any other compulsory insurance in accordance with the laws in force.
- Any other insurance or guarantee requested by the Client, in compliance with the provisions of the Contract, or by the administrative authorities in compliance with the regulations in force, including without limitation professional indemnity insurance where appropriate to the nature of the works or services for an amount appropriate to the works or services which shall be maintained during the maintenance period for the works and provided such insurance remains available in the market as commercially reasonable rates to contractors engaged in providing works or services similar to the works or services under the Contract.

Furthermore, the abovementioned insurance shall extend to include as an Additional Insured the subcontractors hired by the Contractor.

The amounts paid by the insurance companies for the insurances taken shall be used for repairing the damage caused and/or replacing the damaged goods or works.

The Contractor takes on the obligation, for the duration of the Contract, to inform the Client about any event that affects the validity and the conditions of the insurance policies taken. In case of accident, the Contractor shall immediately notify the Client, whatever the nature, causes and range of the accident, by sending it a written report detailing the circumstances.

In case of accident, any variation in the indemnity payment, due to the added exemption fees [added exemption fees need further clarification] or any other type of overdraft, shall be borne by the Contractor. [This paragraph is not clear.]

Before the beginning of the works and whenever requested by the Client, the Contractor and its subcontractors shall provide documentary evidence of the contracts, contents and validity of the insurance policies mentioned in the previous paragraphs.

The documents required shall be copies attested by the issuing entity or the copies provided along with the corresponding original documents, which shall be returned to the Contractor after being confirmed by the Client.

These certificates shall establish that the Insurance Company will inform the Client, with a thirty-day (30) previous notice, about any changes or cancellation of the insurance cover.

3.22. Liability

3.22.1. Pre-contractual liability

The Client is not responsible for any actions taken or costs incurred by the Contractor in the preparation of its bid.

If the Contractor withdraws or revokes its offer during its validity period (90 days), or after it has been accepted, the Contractor shall indemnify the Client against any damage and loss caused.

3.22.2. Contractual liability

The Contractor shall be liable to the Client at all times (including after termination of the Contract) for any liabilities, losses, charges, damages, costs, and expenses (including legal and other professional costs and out of pocket disbursements properly incurred) suffered or incurred by the Client arising from a breach of this Contract by the Contractor or otherwise in relation to the subject matter of this Contract (whether in negligence, delict or otherwise) save to the extent that any such liabilities, losses, charges, damages, costs, and expenses (including legal and other professional costs and out of pocket disbursements properly incurred) are attributable to the fault or negligence of the Client.

All damage caused by the Contractor to goods and property as a result of the performance of the Contract, shall be duly repaired by the Contractor who shall bear the costs. The Client may engage a third party to carry out such repairs at the Contractor's cost.

Without prejudice to the above, the Contractor shall not be liable for indirect losses.

The Client is entitled to enforce the bank guarantees provided by the Contractor at any time in order to recover any amounts due to it by the Contractor in relation to the Contract.

3.23. Certificate of satisfaction

The Contractor shall provide to the Client a complete Certificate of Satisfaction, including those by third parties, before the final payment.

If any complaint is made after the final payment, the Contractor shall indemnify the Client against the expenses it may have as a result of such a complaint.

3.24. Confidentiality

The Contractor shall not disclose to any third parties, without the Client's previous consent in writing, the conditions under which the Client contracted or will contract the execution of the work or the provision of the service.

Unless otherwise stated in the Contract, all information exchanged between the Parties (both prior to and after the commencement date of the preparation or of the performance of the Contract) shall be considered as confidential and used solely for the purposes of the Contract ("Confidential Information"). Confidential Information shall not be disclosed to third parties by any means – whether oral, visual or in writing – unless previously and expressly authorized by the other party.

Each of the Parties shall ensure that the Confidential Information does not come to the knowledge of any people other than their employees, subcontractors, agents, representatives or consultants, who require such knowledge to perform the Contract. The Contractor shall include this confidentiality obligation in any contracts signed with its subcontractors.

This confidentiality obligation shall not include any documents or information that had already been made public or disclosed to the market. Likewise, this obligation shall not include information required to be disclosed by regulations or by a competent judicial, administrative or other authority, in which case each party shall report the required information to the other in advance of disclosure.

After termination of the Contract, each of the parties shall return to the other party any Confidential Information it may have or, if applicable, shall provide evidence of its elimination, expressly undertaking not to keep any copy of it.

3.25. Set off

The Client reserves the right to set off any amounts owing at any time from the Contractor to the Client against any amount payable by the Client to the Contractor under the Contract.

3.26. Assignment of the Contract

The Contractor shall not assign this Contract, totally or partially, without the Client's prior approval in writing. Without prejudice to the above, the provisions of the Contract shall respectively apply and be binding on the successors in title and assignees of the contracting parties.

3.27. Force majeure

None of the parties shall be considered responsible for delays in the execution of the works or provision of the services, or for not carrying them out, when this is due to circumstances that are beyond their reasonable control exercising all due care and attention, namely, war and other hostilities, invasion, act of foreign enemies, mobilization, requisition or embargo, ionizing

radiation or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radio-active toxic explosives, or other hazardous properties of any explosive nuclear assembly or nuclear components thereof, rebellion and civil war, riot, commotion or disorder.

The party affected by a case of force majeure shall report it to the other party, in writing, as soon as possible and never later than three (3) days, from the time it becomes aware of it, stating the cause, its estimated duration and the consequences for the contracted work, attaching any documentary evidence.

Compliance with the obligations affected by the force majeure events shall be suspended for the duration of the said events and the parties shall not be liable for such non-compliance. After cessation of the force majeure event, the parties shall agree upon which measures are required to, as far as possible, recover the time lost, taking all measures so that the performance of the Contract is re-established on the best conditions and with the least delay possible.

Notwithstanding this, if the force majeure event is prolonged for a period over [three months], either of the Parties is entitled to terminate the Contract.

The following cannot be invoked by the Contractor as force majeure causes:

- 1 meteorological conditions or events that could reasonably have been predicted by the Contractor
- 2 any shortage of manpower or materials
- 3 any delay or failure in obtaining the materials
- 4 any non-compliance or delay of any subcontractor.
- 5 strikes, except for cases of general strikes in the sector, or lock-outs.

3.28. Termination of the contract

The Contract may be terminated in the following circumstances:

3.28.1. By the Client:

- a) When the Contractor carries out any work or services that are non-compliant with the Contract, or if it is performed in such a way that the quantity and quality of the work or services performed does not reasonably correspond to the amount of time spent for performing it and the Client is able to estimate, at its discretion, that the ordered work or services shall not be finished within the expected deadlines.
- b) For the frequent repetition of mistakes or defects in the execution of the contracted works or services.
- c) When the Contractor partially or totally assigns or transfers the services to subcontractors or any other third parties, without the prior consent of the Client.
- d) For interruption of the works or services for more than one (1) week, except when due to force majeure.
- e) For non-compliance by the Contractor with any applicable laws or with health and safety rules].
- f) For any use of the brand, the image, the distinctive symbols and/or the logos of the Client that

is non-compliant with the Contract.

- g) For not taking out or not renewing the insurance policies under the terms established in the Contract.
- h) Any other non-compliance by the Contractor which may significantly affect the performance of the Contract or that is set out in the Contract.

If any of the causes for termination stated in this section occurs, the Client shall be entitled either to order the fulfillment of the Contract or to terminate it. If the Client chooses to terminate the Contract, it shall inform the Contractor by means of a written notice given fifteen days before the date on which the termination is to become effective. Upon receiving such notification, the Contractor shall immediately stop its work or services, performing only the things required to protect the work or services already done in order to deliver it to the Client.

On termination of the Contract in accordance with clause 3.28 the Contractor shall retain any security, which the Contractor may have provided, such security being paid to the Client as its beneficiary, as a form of indemnity for damages and losses.

The Client is entitled to terminate the Contract for convenience, by notifying the Contractor in writing thirty days in advance; in this situation, the Client shall pay for the work performed and other reasonable and necessary expenses incurred by the Contractor up to the date of termination of the Contract; it shall not pay any amount for expenses such as loss of profits or compensation for damages. The payment of this sum shall be considered as a full and final settlement of all sums due in relation to such termination and the Contractor, waives the right to make any claim against the Client in relation to such termination.

3.28.2. By the Contractor:

1. Suspension of the works for longer than 5 weeks due to a cause attributable to the Client.
2. Failure to pay the Client of two undisputed invoices, in accordance with the terms of the Contract.

The Contractor shall, in this situation, send written notice to the Client informing the Client about the alleged non-compliance as well as its intention to terminate the Contract unless it is corrected. If the non-compliance is not corrected by the Client within [15 business days] of receipt of such written notice, the Contractor shall be entitled to terminate the Contract, charging the Client for the works executed or services performed until that date plus an amount that equals 2% of the value of the works still to be executed.

Any party may require the termination of the Contract in accordance with section 3.27 of these General Conditions due to force majeure events.

In cases of termination under clause 13.28.2, the Client shall be entitled to take possession of the works executed up to that date and keep all or any of the materials stored, partly manufactured or delivered, paying for them according to the price set out in the Contract or, if not so set out, the price that both parties mutually agree upon or, if that is not possible, the price established by an expert.

3.29. Language

English is the language to be used for the Contract and, as a consequence, any document presented by the Contractor to the Client shall be written in or translated into the English language.

3.30. Applicable law and settlement of disputes

This Contract shall be governed by and construed in accordance with Scots law and any dispute arising shall be subject to the non-exclusive jurisdiction of the Scottish courts.

3.31. Annexes

3.31.1.-Bank guarantee template. 3.31.2.-Proposed structure of the Health and Safety Plan.
3.31.3.-Conditions of the Bids. 3.31.4.-Confidentiality agreement. 3.31.5.-Documents to be provided by the Contractor. 3.31.6.-Summary of the payment conditions. 3.31.7.-Identity Manual for Collaborative Companies.'